

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Decmil Group Limited

ABN/ARBN

35 111 210 390

Financial year ended:

30 June 2023

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

☐ These pages of our annual report:

☒ This URL on our website:

<https://decmil.com/news-investor/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at *[insert effective date of statement]* and has been approved by the board.

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

Date: 6 September 2023

Name of authorised officer authorising lodgement: Peter Coppini, Company Secretary

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

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

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

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

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

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

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

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

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	☒ and we have disclosed a copy of our board charter at: https://decml.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	☒	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	☒	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	☒	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

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

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

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.5 A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	☒ and we have disclosed a copy of our diversity policy at: https://decml.com/news-investor/corporate-governance/ and we have disclosed the information referred to in paragraph (c) at: https://decml.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) at: https://decml.com/news-investor/corporate-governance/ and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: https://decml.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) at: https://decml.com/news-investor/corporate-governance/ and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: https://decml.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	☒ [If the entity complies with paragraph (b):] and we have disclosed the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively at: https://decml.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	☒ and we have disclosed our board skills matrix at: https://decml.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	☒ and we have disclosed the names of the directors considered by the board to be independent directors at: https://decml.com/news-investor/corporate-governance/ and, where applicable, the information referred to in paragraph (b) at: https://decml.com/news-investor/corporate-governance/ and the length of service of each director at: https://decml.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	☒	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	☒	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	☒	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	☒ and we have disclosed our values at: https://decnil.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	☒ and we have disclosed our code of conduct at: https://decnil.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	☒ and we have disclosed our whistleblower policy at: https://decnil.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	☒ and we have disclosed our anti-bribery and corruption policy at: https://decnil.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	☒ <i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: https://decmil.com/news-investor/corporate-governance/ and the information referred to in paragraphs (4) and (5) at: https://decmil.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement.
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	☒	☐ set out in our Corporate Governance Statement
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	☒	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

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

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	☒	☐ set out in our Corporate Governance Statement
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	☒ <i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: https://decnil.com/news-investor/corporate-governance/ and the information referred to in paragraphs (4) and (5) at: https://decnil.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	☒ and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: https://decnil.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	☒ <i>[If the entity complies with paragraph (b):]</i> and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes at: https://decml.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	☒ and we have disclosed whether we have any material exposure to environmental and social risks at: https://decml.com/news-investor/corporate-governance/ and, if we do, how we manage or intend to manage those risks at: https://decml.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	☒ <i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: https://decml.com/news-investor/corporate-governance/ and the information referred to in paragraphs (4) and (5) at: https://decml.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	☒ and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: https://decml.com/news-investor/corporate-governance/	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	☐ and we have disclosed our policy on this issue or a summary of it at: <i>[insert location]</i>	☒ set out in our Corporate Governance Statement OR ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	☐ and we have disclosed information about the processes in place at: [insert location]	☐ set out in our Corporate Governance Statement OR ☒ we do not have a director in this position and this recommendation is therefore not applicable OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	☐	☐ set out in our Corporate Governance Statement OR ☒ we are established in Australia and this recommendation is therefore not applicable OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	☐	☐ set out in our Corporate Governance Statement OR ☒ we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable ☐ we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	☐ and we have disclosed the information referred to in paragraphs (a) and (b) at: [insert location]	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

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

Overview

The board of directors (**Board**) of Decmil Group Limited (**Decmil** or **Company**) is responsible for the corporate governance of Decmil and its subsidiary companies (**Group**). The Board governs all matters relating to the strategic direction, policies, practices, management, and operations of the Group with the aim of protecting the interests of shareholders and other stakeholders, including employees, clients, and suppliers, and creating value for them.

The ASX Corporate Governance Council's (**Council**) *Corporate Governance Principles and Recommendations* articulates eight core corporate governance Principles, with commentary about implementation of those Principles in the form of Recommendations.

Under ASX Listing Rule 4.10.3 Decmil is required to disclose the extent to which it has followed the Recommendations during each reporting period. Where a Recommendation has not been followed, it must be disclosed, together with reasons for departure from the Recommendation and any alternate governance practices Decmil adopted instead. Additionally, several Recommendations require disclosure of specific information in the Company's Corporate Governance Statement.

Decmil's Corporate Governance Statement is current at 30 June 2023, has been approved by Decmil's Board, and is structured to align where possible to the Council's 4th Edition of the Principles and Recommendations (February 2019) (**Principles and Recommendations**).

For further information on the corporate governance policies adopted by Decmil Group Limited, please refer to Decmil's website: www.decmil.com

Structure and Operation of the Board

The Board operates under a formal Board Charter which sets out matters of corporate governance including the composition, functions and responsibilities of the Board and matters affecting Directors in execution of their duties. The Board Charter recognises that the Board is elected to represent shareholders' interests in the direction and management of the Company and the interests of its employees, customers, and the local community where it operates.

The skills, experience, and expertise relevant to the position of each Director who is in office at the date of the Company's 2023 Annual Report and their term of office is provided in the Directors' Report. The term of office held by each Director during the year ended 30 June 2023 is below:

Name	Position	Position
Andrew Barclay	Non-Executive Chair	Appointed 28 July 2020
Peter Thomas	CFO and Executive Director	Appointed 28 July 2020
Vincent Vassallo	Non-Executive Director	Appointed 14 June 2021
David Steele	Non-Executive Director	Appointed 14 June 2021

Independent Directors

The Principles and Recommendations define an independent director to be 'a director who is free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the entity as a whole rather than those of

an individual security holder or other party'. Decmil's Board Charter states an independent director is a non-executive director and:

- is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company as defined under s 9 of the *Corporations Act 2001* (Cth);
- has not been employed in an executive capacity in the Company in the last twelve (12) months;
- has not been a principal of a material professional adviser or a material consultant to the Company, or an employee materially associated with the services provided, in the last twelve (12) months;
- is not a material supplier or customer of the Company, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has no material contractual relationship with the Company other than as a Director; and
- is free of any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

Directors are expected to bring independent views and judgement to the Board's deliberations. The Board Charter requires that the Chair of the Board should be a Non-executive Director; at least half the Board is to be comprised of Non-executive Directors; and where practical, a majority of the Board will be independent.

The Board reviewed the independence of Directors at 30 June 2023 by referring to the description of independence mentioned above. The Board concluded the following Directors were independent Directors of the Company:

Name	Position
Andrew Barclay	Non-Executive Independent Chair
David Steele	Non-Executive Independent Director
Vincent Vassallo	Non-Executive Independent Director

The Board will assess the independence of new Directors upon appointment and will continue to assess the independence of Directors when required. To facilitate independent judgement in decision-making, Directors must declare immediately to the Board any potential or active conflicts of interest and the Board will determine whether to declare to the market, any loss of independence. Recommendation 2.4 provides that a 'majority of the board of a listed entity should be independent directors'. Decmil was able to meet this Recommendation for the year ended 30 June 2023.

Board Powers

Decmil's Board Charter provides the Board with the following powers:

- reviewing and approving each of the following:
 - systems of risk management, internal control and compliance, codes of conduct, continuous disclosure and legal compliance;
 - external financial and other reporting to shareholders and the financial market; and
 - major capital expenditure, capital management, and acquisitions and divestments; and

- any matters in excess of authorities that it may have delegated to the Chief Executive Officer and Executive Leadership Team (**ELT**) (for example, in relation to capital expenditure);
- providing input into and approval of the Company's strategic plan;
- reviewing and approving business plans and budgets, including the setting of performance objectives;
- monitoring the Company's operational and financial position and performance;
- approving the Company's financial policies and financial statements;
- monitoring compliance with control and accountability systems, regulatory requirements and ethical standards;
- on the Chief Executive Officer's recommendation ratifying the appointment, and when appropriate the removal of, the Chief Financial Officer, Company Secretary and other senior executives reporting to the Chief Executive Officer;
- reviewing and approving remuneration and conditions of service, including financial incentives, for the Chief Financial Officer, Company Secretary and other senior executives reporting to the Chief Executive Officer;
- reviewing on a regular and continuing basis;
 - executive succession planning (for the Chief Executive Officer); and
 - executive development activities.
- approving the issue of any securities in the Company;
- approving any public statements which reflect significant issues of the Company's policies or strategy;
- provide oversight and monitoring of Workplace Health & Safety (**WHS**) issues facing the Company and consider appropriate WHS reports and information;
- appointing, re-appointing, or removing the Company's external auditors (on the recommendation of the Audit and Risk Committee); and
- approving any changes to the discretions delegated from the Board.

The Board has delegated to the Chief Executive Officer and the ELT, authority for the day-to-day management of the Company and its operations.

Board Committees

To facilitate achieving its objectives, the Board has established an Audit and Risk Committee; Remuneration Committee; and Continuous Disclosure Committee, comprising members of the Board. The Audit and Risk Committee and Remuneration Committee have formal charters that outline the committee's roles and responsibilities and the authorities delegated to it by the Board.

Nomination Committee

The Board is of the view that due to the nature and size of the Company's operations, the functions normally performed by a nomination committee can adequately be performed by the full Board. This view is reviewed annually.

The Company maintains a Board skills matrix to assist in identifying the skills, knowledge, experience, and capabilities required of the Board to meet the Company's strategic objectives. A summary of the key skills and experience that the Board is seeking to achieve in its membership, as detailed in the Decmil Board skills matrix, is outlined below:

Objective	Key Skills & Experience
Leadership	Business Leadership, Strategic Thinking, Strategic Planning, Director Experience, CEO Experience, Change Driver & Management
Governance & Risk	Corporate Governance, Legal Compliance, Tax Compliance, Risk Identification, Risk Management, Compliance Management, Stakeholder Management
Operations	Project Delivery, Marketing and Public Relations, Health & Safety
Sector Experience	Construction & Engineering, Oil & Gas, Telecoms, Public & Private Infrastructure, Government, Hospitality, Property/Asset Ownership & Development
Geographic Experience	National, Emerging Countries, First World
Financial Acumen	Contractual Awareness, Financial Reporting, Corporate Finance, Corporate Tax, Financial Controls, Statutory Compliance
New Business	Mergers and Acquisitions, Organic Growth, Adjacent Business, Step Out Markets
Diversity	Age, Gender, Background, Experience
Technology	Information Technology, Operational Technology
People	Human & Cultural Development, Remuneration, Organisational Change
Personal Attributes	Integrity, Effective Listener & Communicator, Contributor & Team Player, Commitment, Influencer & Negotiator, Critical & Innovative Thinker

Appointments to the Board are based against these criteria to maintain an appropriate balance of skills and experience on the Board. In appointing new Board members, consideration is also given to the appointee's ability to contribute to the Board's ongoing effectiveness, to exercise sound business judgement, to commit the necessary time to fulfil the requirements of the role and to contribute to the development of the Company's strategic direction.

Remuneration Committee

The Board established a Remuneration Committee in January 2009 that operates under a charter approved by the Board (**REMCO Charter**). Under the REMCO Charter, all members of the Remuneration Committee are to be Non-Executive Directors and the majority being independent Directors. Decmil was unable to meet the REMCO Charter requirement for the year ended 30 June 2023.¹ However, Decmil did meet the requirement of Recommendation 8.1(a). During 2023 the Remuneration Committee comprised of the following members:

Name	Position
David Steele	Non-Executive Independent Chair
Vincent Vassallo	Non-Executive Independent Director
Peter Thomas	Executive Director

For details of members' attendance at meetings of the Remuneration Committee, please refer to the Directors' Report.

The overall purpose of the Remuneration Committee is to assist and make recommendations to the Board relating to:

- overall remuneration strategy of the Group;
- remuneration of Non-Executive Directors of Decmil; and
- remuneration of the Managing Director and/or the Chief Executive Officer and ELT of the Group.

¹ Peter Thomas is an Executive Director.

The Remuneration Committee does not make decisions on behalf of the Board unless such authority in respect of any matter is expressly delegated by the Board.

The Remuneration Committee shall assist the Board in the implementation of its remuneration policy by:

- ensuring the Group's remuneration policies and practices fit with its strategic goals;
- undertaking periodic reviews of policies and practices in respect to total fixed remuneration, incentive remuneration and share and equity based plans;
- reviewing remuneration policies and practices to ensure they comply with regulatory requirements and good governance principles and practise;
- obtaining external advice on the market position of the Chief Executive Officer's remuneration package and making recommendations to the Board as to the total target review to be offered to the Chief Executive Officer for the coming year;
- approving the remuneration of the ELT reporting to the Chief Executive officer;
- establishing the process for review of the Non-Executive Directors' remuneration and making recommendations on the appropriate remuneration levels and other benefits provided to Non-Executive Directors;
- monitoring compliance with the Company's Code of Conduct, review of any breaches of the Code and actions taken by management in relation to breaches;
- considering and recommending to the Board the total target reward, including short term incentives and long-term incentives for each member of the ELT taking into account the recommendations of the Chief Executive Officer;
- reviewing with the Chief Executive Officer the performance of members of the ELT;
- reviewing and commenting on the Chief Executive Officer's succession plans for members of the ELT and other key positions in the Group; and
- reviewing the Chief Executive Officer's recommendation for the remuneration package of new members of the ELT.

Audit and Risk Committee

The Board established an Audit and Risk Committee in January 2009 that operated under a charter approved by the Board (**ARC Charter**). Under the terms of the ARC Charter, all members of the Audit and Risk Committee are Non-Executive Directors with the majority being independent. The Chair of Decmil may not be Chair of the Audit and Risk Committee. Decmil was able to meet the ARC Charter requirements for the year ended 30 June 2023. The Audit and Risk Committee comprised the following members:

Name	Position
Vincent Vassallo	Non-Executive Independent Chair
David Steele	Non-Executive Independent Director
Andrew Barclay	Non-Executive Independent Director

Details of the skill and experience of the Audit and Risk Committee members are detailed in the Director's report. For details on the number of meetings of the Audit and Risk Committee held during the year and the attendees at those meetings, please refer to the Directors' Report.

The overall purpose of the Audit and Risk Committee is to protect the interest of the shareholders and other stakeholders in the Company by overseeing, on behalf of the Board:

- the quality and integrity of the Company's financial statements, accounting policies, financial reporting and disclosure practices;
- compliance with applicable legal and regulatory requirements, internal policies and codes of conduct;
- the effectiveness and adequacy of the control environment and the processes of identifying and managing risk; and
- the internal and external audit functions; and treasury and taxation practices.

Board Performance

The performance of the Board and its individual Directors is reviewed on a regular basis, to ensure measurable improvements and overall efficiency.

The Board has determined that either an external or an internal Board review process will be conducted on a regular basis, with external reviews being conducted only when deemed required. The internal review process consists of robust discussions, involving an assessment of the individual performance of each of the Chairman and individual Directors and an assessment of the Board against the Board's objectives and responsibilities as set out in the Board Charter. A review process did not occur during the year ended 30 June 2023.

The process for evaluating the performance of the Remuneration Committee and the Audit and Risk Committee involves an internal review of its performance against its objectives and responsibilities as set out in the relevant committee charter.

The performance of the ELT is reviewed regularly against appropriate measures. Further, the performance of the ELT is reviewed internally on an annual basis pursuant to a Companywide performance review process. These reviews were undertaken during the year ended 30 June 2023. Key performance indicators are agreed on an individual basis for the ELT and performance against these indicators is then reviewed by the Chief Executive Officer. The outcome of the review then provides the basis for a professional development plan for each of the ELT.

Risk Management

Decmil recognises the importance of risk management and has a specific policy and procedure in place to standardise its focus and approach to risk management for the Group.

The Board is ultimately responsible for risk management of the Group and must be satisfied that significant risks faced by the Group are being managed appropriately and that the system of risk management within the Group is robust enough to respond to changes in the Group's business environment. A review of the entity's risk management framework is undertaken at least annually. A formal review was not conducted for the year ended 2023, however material project risks were considered during Audit and Risk Committee meetings and Board meetings.

The Audit and Risk Committee assists the Board in relation to oversight of risk management practices and has the following responsibilities for risk management:

- developing an understanding of key risk areas and the consequences of major risk events;
- gaining assurance as to the adequacy of the Group's policies and procedures for integrating risk management into its operations; and
- reviewing the insurance strategy and determining the extent to which it aligns with the risk exposure of the Group.

The ELT is responsible for the identification, assessment, control, reporting and monitoring of risks. The ELT is also responsible for implementing the requirements of the Group's risk management policy and procedures, and for providing assurance to the Audit and Risk Committee and ultimately to the Board, that compliance is being maintained.

Group Risk Management System

In summary, the Group Risk Management system comprises:

- a Group Risk Management Policy Statement and Procedure based on the Standard for Risk Management (AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines). The Policy and Procedure outlines the Group's approach to managing risk including a description of responsibilities;
- an Enterprise Risk Register that identifies the most material risks facing the Group, together with an action plan to mitigate the occurrence or effect of each identified risk. Each of the risks on the Enterprise Risk Register have been allocated an owner who is responsible for monitoring, reporting, and implementing action plans. The Enterprise Risk Register is reviewed and refreshed periodically as a component of the business planning process. The Enterprise Risk Register brings together the most critical risks (both corporate and operational) identified by the Group Risk Management System and creates a structured process for reporting to the Board;
- a Tax Risk Register that identifies potential tax risks facing the Group, including controls and documentation implemented to reduce risk ratings to a tolerable level (medium or below) set by the Board. The Tax Risk Register is owned by the Group Financial Controller and updated periodically or in accordance with any adverse findings;
- a section on Risk Management incorporated within the Group's business plan;
- bid / project (operational) specific risk and opportunity workshops which are completed both pre- and post- contract award. Bid risk registers are reviewed prior to client submission and project risk registers are reviewed during the monthly project review cycle by the Executive General Managers; and
- a Group-wide comprehensive insurance program, which is reviewed annually.

Tax Governance

Decmil is committed to the communities in which it operates including complying with all tax laws in those communities. Decmil has systems, procedures, and policies in place to identify, manage and review tax risks to ensure the correct amount of tax is recorded, accounted for and paid in the correct jurisdiction. Some of these policies are:

- significant tax matters and risks must be escalated to the Board;
- roles and responsibilities for tax issues and tax risks must be allocated to qualified members of management and the Board; and
- there must be systems in place to assess, manage, monitor, and review tax risks.

Through the implementation of these policies, Decmil seeks to maintain tax risk ratings with the Australian Tax Office at a low-risk rating level. Decmil's appetite for tax risks relating to material transactions is low. Where tax uncertainty arises from material or complex transactions, Decmil will adopt the tax position most likely to be upheld by the Australian Tax Office.

Decmil Internal Control System

The Decmil Internal Control system comprises:

- cost and schedule risk analysis reviews on all tender programmes prior to submission, and monthly reviews on all operational projects;
- management's understanding and acceptance of its responsibility to implement appropriate systems of internal control to effectively manage potential risks;
- ongoing oversight of strategic matters by the ELT and of operational matters by subsidiary Management;
- various policies and procedures covering areas such as Finance, Human Resources, Information Technology, Safety and Delegations of Authority which are centrally located via an intranet;

- monthly reporting and review of financial and budgetary information; and
- external auditors independently evaluating the Group's internal control environment.; and
- a Commercial and Risk function who undertake operational reviews.

The Group's Commercial and Risk function has a dedicated team. They undertake internal risk reviews using suitably qualified external personnel. These risk reviews relate to project controls, quality, and environment. The Group does not currently have an internal audit function.

As part of the audit of the financial statements, the Company's auditor has undertaken specific internal audit testing on major business cycles to determine the extent to which it can rely on the Company's key internal controls to produce reliable financial and performance information.

The Group has exposure to material economic risks including variability of market conditions and legislative changes to the sectors within which it operates. These risks are mitigated by ongoing research and monitoring of changing market conditions and diversification of the Group into several complimentary sectors. Mitigation of environmental risks includes maintenance of a certified environmental management system (AS/NZS ISO 14001:2015) and implementation of an environmental management program that aims to ensure sustainable work practices and monitoring and minimising environmental impacts (emissions) as far as practicable. Social sustainability risks, where they arise, are identified, and managed within the Group Risk Management system.

The Board has received a written assurance from the Chief Executive Officer and the Chief Financial Officer that, to the best of their knowledge and belief, the declaration provided by them in accordance with s 295A of the Corporations Act 2001 (Cth) is founded on a sound system of risk management and internal control and that the system is operating effectively in relation to financial reporting risks. The Board understands that these assurances for internal control systems provide a reasonable level of assurance only and do not imply a guarantee against adverse events, or losses, or more volatile outcomes arising in the future.

Remuneration

It is the Company's objective to provide maximum stakeholder benefit from the retention of a high-quality Board by remunerating Directors fairly and appropriately with reference to relevant market conditions.

The Remuneration Committee must ensure that the remuneration packages of directors and the ELT:

- display a balance between fixed remuneration and variable remuneration which is tailored to performance objectives;
- provide for a link between the performance of the Company and individual; and
- are consistent with the Company's remuneration policy and any other relevant Company policies.

The ELT receive a base salary plus superannuation and performance incentives. The fixed component, base salary, is determined based on the position requirements, skills, experience and expectations. The variable component, performance incentives, is linked to specified performance targets. The payment of bonuses, equity based payments such as performance rights and other incentives are reviewed by the Remuneration Committee periodically as part of the review of ELT remuneration.

The Remuneration Committee review the ELT remuneration packages by reference to Company performance, individual performance and comparable information from industry reports.

The Remuneration Committee is responsible for providing advice to the Board with respect to Non-Executive Directors' remuneration. The remuneration packages of Non-Executive Directors should generally be fee based and the Remuneration Committee must ensure that:

- there is a clear distinction between the structure of Non-Executive Directors' and Executive Directors' remuneration; and
- Non-Executive Directors do not participate in remuneration schemes designed for Executive Directors or receive performance based equity based payments, bonus payments, retirement or termination benefits other than statutory superannuation.

There is no scheme to provide retirement benefits, other than statutory superannuation, for Non-Executive Directors.

The Board expects that the remuneration structure implemented will result in the Company being able to attract and retain the best executives to run the economic entity. The remuneration strategy will also provide the ELT with the necessary incentives to work towards growing long-term shareholder value.

For a full discussion of Decmil's remuneration philosophy and framework and the remuneration, including all monetary and non-monetary components, received by Directors and key management personnel in the current period please refer to the audited Remuneration Report, which is contained within the Director's Report.

Culture

Decmil believes that its culture has been a key factor to its success and is committed to operating in a way that delivers lasting benefits for all our stakeholders, including the communities we work for, our employees and our shareholders.

Decmil's people approach comprises of strategic objectives that create an agile, leadership driven and high-performance culture to enable us to rise to any challenge.

Decmil's people are not just employees, they are united by a spirit of curiosity, one that enables them to face challenges with a unique perspective, a perspective which is truly Decmil. Decmil's values and guiding principles shape our cultural identity and support our vision.

 Integrity GUIDING PRINCIPLE We do what we say and ensure that our actions instil trust and show respect for others. For us, it acts as the foundation for positive relationships and sets us apart in the way we do business. BEHAVIOURS We value differences. We are self aware. We follow through.	 Solutions GUIDING PRINCIPLE We know there is a way to achieve a positive outcome and don't stop until we find it. Our capabilities are enhanced by empowering our teams in supporting new ways of thinking and valuing the diversity of thought. BEHAVIOURS We have a 'can do' attitude. We create new ways of doing things. We show tenacity in every situation.	 Collaboration GUIDING PRINCIPLE We support each other to reach our goals and value effective partnerships both with colleagues and with clients. In every scenario, we seek out opportunities to collaborate. It is the belief that we are better as one, moving together towards common goals and sharing our experiences to improve outcomes. BEHAVIOURS We communicate effectively. We engage frequently. We share knowledge.	 Sustainability GUIDING PRINCIPLE Providing value to our employees and shareholders through sustainable business choices is paramount to our success. In tandem, we care about the world around us and consider the impact of our actions. BEHAVIOURS We consider all opportunities and risks. We take positive actions to benefit our communities. We are forward thinking.	 Performance GUIDING PRINCIPLE We strive for excellence and deliver results while accepting accountability and aiming to exceed expectations. It is a commitment that we will deliver our best, and approach challenges with grit and a will to succeed. BEHAVIOURS We are resourceful. We always plan and align. We seek feedback to remain agile.
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Code of Conduct

Decmil requires its Directors, employees and contractors to observe the highest standards of behaviour and business ethics in respect to its operations. Managers are expected to undertake reasonable steps in ensuring that employees, contractors, consultants, agents and partners are aware of the Company's Code of Conduct policy to foster an environment that encourages ethical behaviour and compliance.

The Code of Conduct imposes high standards of behaviour and business ethics including:

- complying with all relevant laws and acting honestly and with integrity;
- being responsible and accountable for actions and the manner in which functions and duties are performed;
- not allowing any private interests to conflict with obligations and duties to the Company;
- maintaining a safe and healthy work environment;
- conducting operations in an environmentally responsible manner so that the operations are compatible with the maintenance of the environment;
- treating all persons with respect and dignity and not discriminating on the basis of sex, race, religion, politics, age or other personal differences; and
- not allowing any person to be disadvantaged in honestly reporting any breach of the Code of Conduct to senior management or any Director.

Anti-Corruption and Anti-Bribery

The Company is committed to conducting its business and activities with integrity and has adopted an anti-corruption and anti-bribery policy which prohibits bribery and corruption, in any form, whether direct or indirect, whether in the private or public sector. Areas of concern are highlighted in the policy. Specifically, the Company prohibits facilitation payments and the giving and receiving of gifts or entertainment in connection with its business and business activities which go beyond common courtesies associated with general commercial practice.

Whistleblowing

Decmil is committed to a culture of respect and ethical conduct in the way we work and relate to each other. We recognise the value of keeping the laws and standard that apply to us in our work and encourage everyone to report misconduct and we will not tolerate corrupt, illegal, or other undesirable conduct, nor condone detrimental acts against anyone who intends to disclose or has disclosed misconduct.

Diversity & Inclusion

Decmil considers the continued commitment to diversity and inclusion as an opportunity to deliver on our objective of satisfactory returns to shareholders. We acknowledge that our customers and stakeholders are diverse and therefore, understand that by embracing the individual skills, perspectives and experiences our people bring to the workplace and harnessing these for high performance and improved delivery.

Decmil has a diversity policy in place which fosters a culture of diversity that encourages creativity, innovation and commercial vigilance. Diversity at Decmil means that we value, respect and leverage the unique contributions of people with diverse backgrounds, experiences and perspectives, to provide exceptional customer service to an equally diverse community.

Decmil is particularly focused on maintaining and increasing diversity in the following areas:

- Continuing to recognise and celebrate multicultural diversity and grow our workforce to reflect the diversity of the population in which we operate
- Continuing to incrementally grow the number of women performing senior roles
- Continuing to assist Indigenous people to access employment opportunities in Decmil's operations.

Decmil's commitment to diversity initiatives includes, but are not limited, to practices and policies related to recruitment and selection, compensation and benefits, and professional development and training, as well as encouraging the ongoing development of a culturally diverse workplace.

Our guiding principles to our commitment to diversity and inclusion include:

- **Recruit:** Recruiting a workforce that reflects the diversity of the communities we operate in;
- **Include:** Ensuring that we foster a culture that values diversity and is inclusive;
- **Develop:** Ensuring that there are opportunities for development and growth in the business for all employees; and

- **Lead:** Decmil's leadership team promotes and demonstrates diversity and inclusion in the workplace.

Our measurable outcomes indicate that:

- more than 23.7% of total females in the business were female.
- The indigenous participation ratio is 1.87%.
- 13% of Group Manager / Executive Leadership roles have female incumbants
- The Flexible Work Arrangements procedure for the business has been reviewed and updated to ensure to meets the needs of a diverse workforce.
- The business has a paid parental leave policy with improved benefits for working families.
- The Decmil Reconciliation Action Plan ('RAP') has been endorsed as an Innovate RAP and officially accredited by Reconciliation Australia.

Continuous Disclosure Policy

The Company has a Continuous Disclosure Committee and has adopted a continuous disclosure policy to ensure compliance by Decmil with its continuous disclosure requirements arising from legislation and the ASX listing rules.

Under this policy, all management and staff must inform the Continuous Disclosure Committee (or in their absence, the Company Secretary, or a Director) of any potentially material information as soon as practicable after the person becomes aware of that information. To comply with ASX listing rule 3.1, the Continuous Disclosure Committee must immediately notify the market of any information concerning the Company that they believe a reasonable person would expect to have a material effect on the price or of the Company's securities.

The policy notes that the Company Secretary is the authorised officer for ASX listing rule purposes and is responsible for overseeing and co-ordinating disclosure of information to ASX and shareholders.

Shareholder Rights

Shareholders are entitled to vote on substantive matters impacting on the business of the Company, including the election and remuneration of Directors, approval of annual financial statements and amendments to the constitution of the Company. All substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands. The Board actively encourages shareholders to attend and participate in the annual general meeting of the Company, to lodge questions to be responded to by the Board and to appoint proxies.

The Company maintains a website which contains information regarding the Group, Directors and management, operations, ASX announcements as well as all corporate governance policies adopted by the Company. Shareholders may request information from the Company by emailing investors@decmil.com.au.

Summary

Decmil Group Limited concludes that it has complied with most Recommendations throughout the 2023 financial year. The Company's corporate governance policies can be found on the Company's website www.decnil.com