

# Appendix 4G

## Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Name of entity

Adrad Holdings Limited
------------------------

ABN/ARBN

51 121 033 396
----------------

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: <http://adradholdings.com.au/investors/>

The Corporate Governance Statement is accurate and up to date as at 4 October 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: 4 October 2023

Name of authorised officer authorising lodgement: Kaitlin Smith – Company Secretary

<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 <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 <b>NOT</b> 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: (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.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: <a href="http://adradholdings.com.au/investors/">http://adradholdings.com.au/investors/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <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 <b>OR</b> <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 <b>OR</b> <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>
<p>1.5 A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(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</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity’s progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined “senior executive” for these purposes); or</p> <p>(B) if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in and published under that Act.</p> <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>and we have disclosed a copy of our diversity policy at:</p> <p>.....</p> <p>[insert location]</p> <p>and we have disclosed the information referred to in paragraph (c) at:</p> <p>.....</p> <p>[insert location]</p> <p>and if we were included in the S&amp;P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.</p>	<p><input checked="" 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>
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>Corporate Governance Statement</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>Corporate Governance Statement</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>

## 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>
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>	<p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>Corporate Governance Statement</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>Corporate Governance Statement</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>

## 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 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"/> [If the entity complies with paragraph (a):] and we have disclosed a copy of the charter of the committee at: <a href="http://adradholdings.com.au/investors/">http://adradholdings.com.au/investors/</a> and the information referred to in paragraphs (4) and (5) at: Corporate Governance Statement and Annual Report</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>
2.2	<p>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.</p>	<p><input checked="" type="checkbox"/> and we have disclosed our board skills matrix at: Corporate Governance Statement</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>
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"/> and we have disclosed the names of the directors considered by the board to be independent directors at: Corporate Governance Statement and, where applicable, the information referred to in paragraph (b) at: Corporate Governance Statement and the length of service of each director at: 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 <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>
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 <b>OR</b> <input type="checkbox"/> 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<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"/> and we have disclosed our values at: Corporate Governance Statement	<input type="checkbox"/> 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.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: <a href="http://adradholdings.com.au/investors/">http://adradholdings.com.au/investors/</a>	<input type="checkbox"/> 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.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: <a href="http://adradholdings.com.au/investors/">http://adradholdings.com.au/investors/</a>	<input type="checkbox"/> 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.	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: <a href="http://adradholdings.com.au/investors/">http://adradholdings.com.au/investors/</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><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>
4.2	<p>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.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.3	<p>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.</p>	<p><input checked="" type="checkbox"/></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 <b>NOT</b> 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"/> and we have disclosed our continuous disclosure compliance policy at: <a href="http://adradholdings.com.au/investors/">http://adradholdings.com.au/investors/</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"/> and we have disclosed information about us and our governance on our website at: <a href="http://adradholdings.com.au/investors/">http://adradholdings.com.au/investors/</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"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders at: 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
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



## 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 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><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="http://adradholdings.com.au/investors/">http://adradholdings.com.au/investors/</a> and the information referred to in paragraphs (4) and (5) at: Corporate Governance Statement and Company's Annual Report</p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>
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>and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	<p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>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: 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 <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>
7.4	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"/> and we have disclosed whether we have any material exposure to environmental and social risks at: Corporate Governance Statement and, if we do, how we manage or intend to manage those risks at: 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 <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 <b>NOT</b> 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><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="http://adradholdings.com.au/investors/">http://adradholdings.com.au/investors/</a> and the information referred to in paragraphs (4) and (5) at: Corporate Governance Statement and Annual Report</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>
8.2	<p>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>	<p><input checked="" type="checkbox"/></p> <p>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: Annual Report</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>and we have disclosed our policy on this issue or a summary of it at: Corporate Governance Statement</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>

## 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 <b>NOT</b> followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES</b>			
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.	<input type="checkbox"/> and we have disclosed information about the processes in place at: ..... [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> 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.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> 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.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<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.	<input type="checkbox"/> and we have disclosed the information referred to in paragraphs (a) and (b) at: ..... [insert location]	<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>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p><input type="checkbox"/></p> <p>and we have disclosed the terms governing our remuneration as manager of the entity at:</p> <p>.....</p> <p>[insert location]</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>



## **CORPORATE GOVERNANCE STATEMENT**

This Corporate Governance statement is current as at 4 October 2023 and has been approved by the Board of Adrad Holdings Limited.

The Board of Directors of Adrad Holdings Limited ('Adrad' or 'the Company') aims to achieve appropriate standards of corporate governance and has established corporate governance policies and procedures, where practicable, consistent with the ASX Corporate Governance Council's *'Corporate Governance Principles and Recommendations 4<sup>th</sup> Edition (ASX Principles or Recommendation)*.

The ASX Recommendations set out recommended corporate governance practices for entities listed on the ASX that, in the ASX Corporate Governance Council's view, are likely to achieve good governance outcomes and meet the reasonable expectations of most investors in most situations. They are guidelines, not prescriptions. In light of the Company's size and nature, the Board considers that its current structure reflects a cost effective and practical approach to directing and managing the Company and its operations. As the Company's activities develop in size, nature and scope, the structure of the Board and its approach to corporate governance generally (and its adoption of the ASX Recommendations) will continue to be assessed. This statement outlines the main Corporate Governance practices of the Company disclosed under the ASX Recommendations, including those that comply with best practice and which unless otherwise stated, were in place during the whole of the period to the date of this statement.

Details have been included in this statement setting out the ASX Best Practice Recommendations with which the Company has and has not complied in the reporting period.

Details of the Company's corporate governance practices are set out below.

**Adrad Holdings Limited**  
**Corporate Governance Statement**

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<b>Principle 1: Lay solid foundations for management and oversight</b>		
<p><b>Recommendation 1.1</b></p> <p>A listed entity should have and disclose a board charter setting out:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p>Yes</p> <p>Yes</p>	<p>The Board is governed by:</p> <p>(a) the Corporations Act 2001(Cth),</p> <p>(b) its formal constitution, and</p> <p>(c) by the ASX Listing Rules.</p> <p>The Board is responsible for providing overall strategic guidance and oversight of management. The role of the Board is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole. The Board derives its authority to act from the Company's Constitution.</p> <p>The Board has adopted a Board Charter which sets out the responsibilities of the Board in greater detail, including the following responsibilities:</p> <p>(a) delegating responsibility for the day-to-day operations and administration of the Company to the Chief Executive Officer/Managing Director;</p> <p>(d) specifying limits on the authority delegated to the Chief Executive Officer/Managing Director and the team of executives as appointed by the Company;</p> <p>(e) supporting the Chief Executive Officer/Managing Director and implement the running of the general operations and financial business of the Company including instilling and reinforcing the Company's values, in accordance with the delegated authority of the Board;</p> <p>(f) communicating with management and other employees within the Group to facilitate the effective carrying out of their duties as Directors;</p> <p>(g) appointing the Chair of the Board and any Directors;</p> <p>(h) driving the strategic direction of the Company and defining the Company's purpose, ensuring appropriate resources are available to meet objectives and monitoring management's performance;</p> <p>(i) approving the Company's statement of values and Code of Conduct to ensure the desired culture within the Company is maintained and monitoring the implementation of such values and culture at all times;</p>

**Adrad Holdings Limited**  
**Corporate Governance Statement**

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<p><b>Recommendation 1.1</b> continued...</p>		<ul style="list-style-type: none"> <li>(j) ensuring that an appropriate framework exists for relevant information to be reported by management to the Board;</li> <li>(k) when required, challenging management and holding it to account;</li> <li>(l) monitoring the timeliness and effectiveness of reporting to shareholders;</li> <li>(m) approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;</li> <li>(n) approving and monitoring the budget and the adequacy and integrity of financial and other reporting such that the financial performance of the Company has sufficient clarity to be actively monitored;</li> <li>(o) approving the quarterly, half yearly and annual accounts;</li> <li>(p) approving material ASX announcements;</li> <li>(q) approving significant changes to the organisational structure;</li> <li>(r) approving decisions affecting the Company's capital, including determining the Company's dividend policy and declaring dividends;</li> <li>(s) assessing performance against strategies to monitor both the performance of senior executives (being the Chief Executive Officer/Managing Director and other individuals as determined from time to time by the Remuneration and Nomination Committee) as well as the continuing suitability of strategies</li> <li>(t) the Appointment and replacement of the Chief Executive Officer/Managing Director, other senior executives and the Company Secretary and the determination of the terms and conditions of their employment including remuneration and termination;</li> <li>(u) approving the Company's remuneration framework and ensuring it is aligned with the Company's purpose, values, strategic objectives and risk appetite;</li> <li>(v) reviewing and ratifying systems of audit, risk management (for both financial and non-financial risk) and internal compliance and control, codes of conduct and legal compliance to minimise the possibility of the Company operating beyond acceptable risk parameters;</li> <li>(w) recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them (in accordance with the Corporation Act 2001 (Cth) and ASX Listing Rules);</li> </ul>



**Adrad Holdings Limited**  
**Corporate Governance Statement**

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<p><b>Recommendation 1.1</b> continued...</p>		<p>(x) ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making; and</p> <p>(y) procuring appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as Directors effectively and to deal with new and emerging business and governance issues.</p> <p>A copy of the Company's Board Charter is available on the Company's website at <a href="http://www.adradholdings.com.au/investor">www.adradholdings.com.au/investor</a>.</p>
<p><b>Recommendation 1.2</b></p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and</p> <p>(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.</p>	<p>Yes</p> <p>Yes</p>	<p>The Board is primarily responsible for identifying potential new Directors but has the option to use an external consulting firm to identify and approach possible new candidates for Directorship. The Board may decide the total number of Directors (not counting Alternate Directors), but that number must be at least three (two of whom must ordinarily reside in Australia).</p> <p>The Board may appoint a person to be a Director at any time except during a general meeting. Any Director so appointed holds office only until the next following Annual General Meeting when they are eligible for re-election. The Board undertakes appropriate background checks and requires existing and potential directors to provide evidence of their qualifications, police clearances and solvency checks.</p> <p>The Company provides security holders with all material information relevant to a decision on whether or not to elect or re-elect a Director by disclosing details of a Director's skills, experience and qualifications in the Notice of Annual General Meeting. Further, the Company provides all material information in profiles of the Company's directors on the Company's website.</p> <p>The Chief Executive Officer will undertake the recruitment and selection process of senior executives that are proposed to the Board for appointment.</p>
<p><b>Recommendation 1.3</b></p> <p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>Yes</p>	<p>The roles and responsibilities of Directors have been formalised in letters of appointment which each Director has entered in to. The letters of appointment specify the term of appointment, time commitment envisaged, expectations in relation to committee work or any other special duties attaching to the position, reporting lines, remuneration arrangements, disclosure obligations in relation to personal interests, confidentiality obligations, and insurance and indemnity entitlements.</p>

**Adrad Holdings Limited**  
**Corporate Governance Statement**

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
		The Company appoints senior executives via the execution of an Executive Employment Agreement. The contract terms of senior executives, who are Key Management Personnel, will be summarised in the 2023 Annual Report.
<p><b>Recommendation 1.4</b></p> <p>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.</p>	Yes	<p>The Company Secretary is accountable to the Board through the Chairman on all matters relating to the proper functioning of the Board. All directors have access to the Company Secretary.</p> <p>The appointment or removal of the Company Secretary is a matter for the Board. Details of the Company Secretary’s experience and qualifications are set out in the 2023 Annual Report.</p>
<p><b>Recommendation 1.5</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(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</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity’s progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined “senior executive” for these purposes); or</p> <p>(B) if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in and published under that Act.</p> <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>	Partially	<p>The Company’s stated values and all the Company’s related bodies corporate are committed to workplace diversity.</p> <p>The Company recognises the benefits arising from employee and Board diversity, including a broader pool of high quality employees, improving employee retention and motivation, accessing different perspectives and ideas and benefiting from all available talent.</p> <p>The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.</p> <p>The Board is committed to workplace diversity at the senior level and the Board level of the Company. The Board maintains oversight and responsibility for the Company’s continual monitoring of its diversity practices and development of strategies to meet the Objectives. The Board is responsible for developing measurable objectives and strategies to meet the objectives of the Diversity Policy and monitoring the progress of the measurable objectives through the monitoring, evaluation and reporting mechanisms. The Board will annually assess any measurable objectives (if any), and the Company’s progress towards achieving them.</p> <p>Given the size of the Company, the scale of its operations and workforce, the Board is of the view that measurable objectives for achieving gender diversity are not required or practical at this time. As vacancies become available within the organisation the Company undertakes recruitment processes to ensure an appropriately diverse candidate pool is available to select successful applicants based on appropriate skills, experience and qualifications. As the Company has not established measurable</p>

**Adrad Holdings Limited**  
**Corporate Governance Statement**

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
		<p>objectives for achieving gender diversity, the Company has not reported on progress towards achieving them.</p> <p>The Company's diversity policy is available to be viewed on the Company's website at <a href="http://www.adradholdings.com.au/investor">www.adradholdings.com.au/investor</a>.</p>
<p><b>Recommendation 1.6</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p>Yes</p>	<p>The performance of all Directors is assessed through review by the Board as a whole. A Director's attendance and involvement in Board meetings and committee meetings, the Director's contribution and other matters identified by the Board or other Directors will be taken into consideration.</p> <p>The Company has conducted a performance evaluation of the Board, its committees and members of the Board during the reporting period to 30 June 2023, in accordance with the process described above.</p>
<p><b>Recommendation 1.7</b></p> <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>	<p>Yes</p>	<p>The Board has delegated the operation and administration of the group to the Chief Executive Officer and the senior executive team. Their performance will be assessed formally by the Board on an annual basis both subjectively and by measuring performance against Key Performance Indicators.</p> <p>The Company has conducted a performance evaluation of its senior executives during the reporting period to 30 June 2023, in accordance with the process described above.</p>

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<b>Principle 2: Structure the board to be effective and add value</b>		
<p><b>Recommendation 2.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director, and disclose:</li> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>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</li> </ol> <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>Yes</p>	<p>The Company has a Remuneration and Nomination Committee ('Committee') that undertakes the role of the nomination committee. The role and responsibilities, composition, structure and membership requirements of the Remuneration and Nomination Committee are documented in the Remuneration and Nomination Committee Charter.</p> <p>The purpose of the Remuneration and Nomination Committee is to support and advise the Board in fulfilling its responsibilities to shareholders by:</p> <ol style="list-style-type: none"> <li>(a) reviewing the Group's recruitment, retention and termination policies and procedures for senior management;</li> <li>(b) maintaining a Board that has an appropriate mix of skills, knowledge of the Company and the industry in which it operates and experience to be an effective decision-making body; and</li> <li>(c) ensuring that the Board is comprised of Directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance.</li> </ol> <p>The Remuneration and Nomination Committee consists of three Directors Mr Glenn Davis (Chairman), Mr Donald McGurk and Mr Gary Washington. Mr Davis and Mr McGurk are independent non-executive directors.</p> <p>The Committee did not hold separate meetings during the year ended 30 June 2023. The duties and responsibilities of the Committee were fulfilled by the Board in Directors meetings.</p> <p>The Directors' qualifications are included in the 2023 Annual Report. The Company's Remuneration and Nomination Committee Charter is available on the Company's website at <a href="http://www.adradholdings.com.au/investors">www.adradholdings.com.au/investors</a>.</p>

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION																																																			
<p><b>Recommendation 2.2</b></p> <p>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.</p>	Yes	<p>The following table outlines the experience and skills of the Board.</p> <p>The Directors' qualifications can be found on the Company's website.</p> <table border="1" data-bbox="1133 344 2130 1251"> <thead> <tr> <th data-bbox="1133 344 1756 472">Experience Skills and Attributes</th> <th data-bbox="1756 344 1906 472">Board</th> <th data-bbox="1906 344 2130 472">Audit, Governance and Remuneration</th> </tr> </thead> <tbody> <tr> <td data-bbox="1133 472 1756 515">Total directors</td> <td data-bbox="1756 472 1906 515">4</td> <td data-bbox="1906 472 2130 515">3</td> </tr> <tr> <td data-bbox="1133 515 1756 558"><b>Experience</b></td> <td data-bbox="1756 515 1906 558"></td> <td data-bbox="1906 515 2130 558"></td> </tr> <tr> <td data-bbox="1133 558 1756 624">Industry Experience – Relevant industry experience</td> <td data-bbox="1756 558 1906 624">4</td> <td data-bbox="1906 558 2130 624">3</td> </tr> <tr> <td data-bbox="1133 624 1756 689">Executive Leadership – Outside directorships and Senior management positions</td> <td data-bbox="1756 624 1906 689">4</td> <td data-bbox="1906 624 2130 689">3</td> </tr> <tr> <td data-bbox="1133 689 1756 732"><b>Knowledge and skills</b></td> <td data-bbox="1756 689 1906 732"></td> <td data-bbox="1906 689 2130 732"></td> </tr> <tr> <td data-bbox="1133 732 1756 775">Strategy</td> <td data-bbox="1756 732 1906 775">4</td> <td data-bbox="1906 732 2130 775">3</td> </tr> <tr> <td data-bbox="1133 775 1756 818">Governance</td> <td data-bbox="1756 775 1906 818">4</td> <td data-bbox="1906 775 2130 818">3</td> </tr> <tr> <td data-bbox="1133 818 1756 861">Capital Raising</td> <td data-bbox="1756 818 1906 861">4</td> <td data-bbox="1906 818 2130 861">3</td> </tr> <tr> <td data-bbox="1133 861 1756 904">Risk and Compliance</td> <td data-bbox="1756 861 1906 904">4</td> <td data-bbox="1906 861 2130 904">3</td> </tr> <tr> <td data-bbox="1133 904 1756 948">Mergers and Acquisitions</td> <td data-bbox="1756 904 1906 948">4</td> <td data-bbox="1906 904 2130 948">3</td> </tr> <tr> <td data-bbox="1133 948 1756 991">Tertiary qualifications</td> <td data-bbox="1756 948 1906 991">3</td> <td data-bbox="1906 948 2130 991">2</td> </tr> <tr> <td data-bbox="1133 991 1756 1034">Economics, law, commerce and/or business</td> <td data-bbox="1756 991 1906 1034">1</td> <td data-bbox="1906 991 2130 1034">1</td> </tr> <tr> <td data-bbox="1133 1034 1756 1077">Financial Literacy</td> <td data-bbox="1756 1034 1906 1077">4</td> <td data-bbox="1906 1034 2130 1077">3</td> </tr> <tr> <td data-bbox="1133 1077 1756 1120"><b>Gender</b></td> <td data-bbox="1756 1077 1906 1120"></td> <td data-bbox="1906 1077 2130 1120"></td> </tr> <tr> <td data-bbox="1133 1120 1756 1163">Female</td> <td data-bbox="1756 1120 1906 1163">-</td> <td data-bbox="1906 1120 2130 1163">-</td> </tr> <tr> <td data-bbox="1133 1163 1756 1206">Male</td> <td data-bbox="1756 1163 1906 1206">4</td> <td data-bbox="1906 1163 2130 1206">3</td> </tr> </tbody> </table>	Experience Skills and Attributes	Board	Audit, Governance and Remuneration	Total directors	4	3	<b>Experience</b>			Industry Experience – Relevant industry experience	4	3	Executive Leadership – Outside directorships and Senior management positions	4	3	<b>Knowledge and skills</b>			Strategy	4	3	Governance	4	3	Capital Raising	4	3	Risk and Compliance	4	3	Mergers and Acquisitions	4	3	Tertiary qualifications	3	2	Economics, law, commerce and/or business	1	1	Financial Literacy	4	3	<b>Gender</b>			Female	-	-	Male	4	3
Experience Skills and Attributes	Board	Audit, Governance and Remuneration																																																			
Total directors	4	3																																																			
<b>Experience</b>																																																					
Industry Experience – Relevant industry experience	4	3																																																			
Executive Leadership – Outside directorships and Senior management positions	4	3																																																			
<b>Knowledge and skills</b>																																																					
Strategy	4	3																																																			
Governance	4	3																																																			
Capital Raising	4	3																																																			
Risk and Compliance	4	3																																																			
Mergers and Acquisitions	4	3																																																			
Tertiary qualifications	3	2																																																			
Economics, law, commerce and/or business	1	1																																																			
Financial Literacy	4	3																																																			
<b>Gender</b>																																																					
Female	-	-																																																			
Male	4	3																																																			

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<p><b>Recommendation 2.3</b></p> <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 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>Yes</p>	<p>The Board of Directors are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgment. In the context of director independence, “materiality” is considered from both the Company and individual director perspective. The determination of materiality requires consideration of both quantitative and qualitative elements.</p> <p>Qualitative factors considered include whether a relationship is strategically important, the competitive landscape, the nature of the relationship and the contractual or other arrangement governing it and other factors that point to the actual ability of the director in question to shape the direction of the Company’s loyalty.</p> <p>The ASX Corporate Governance Council identifies factors relevant to assessing the independence of a director. These include:</p> <ul style="list-style-type: none"> <li>(a) the length of service of each director;</li> <li>(b) the length of service of each director;</li> <li>(c) employment in an executive capacity by the entity;</li> <li>(d) has a material business relationship or is a provider of material professional services to the entity;</li> <li>(e) is a substantial shareholder of the entity;</li> <li>(f) has a material contractual relationship with the entity; or</li> <li>(g) a close family tie with any person within any of the categories described above.</li> </ul>

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION																				
<p><b>Recommendation 2.3</b> continued...</p>		<p>In accordance with the definition of the independence above, and the materiality threshold set, refer to below for the assessment of independence of each Director of the Company:</p> <table border="1" data-bbox="1126 344 2132 807"> <thead> <tr> <th data-bbox="1126 344 1413 400">Name</th> <th data-bbox="1413 344 1603 400">Position</th> <th data-bbox="1603 344 1906 400">Appointment Date</th> <th data-bbox="1906 344 2132 400">Independence</th> </tr> </thead> <tbody> <tr> <td data-bbox="1126 400 1413 528">Mr Glenn Davis</td> <td data-bbox="1413 400 1603 528">Non-Executive Director &amp; Chairman</td> <td data-bbox="1603 400 1906 528">17/01/2022</td> <td data-bbox="1906 400 2132 528">Independent</td> </tr> <tr> <td data-bbox="1126 528 1413 624">Mr Donald McGurk</td> <td data-bbox="1413 528 1603 624">Non-Executive Director</td> <td data-bbox="1603 528 1906 624">24/03/2022</td> <td data-bbox="1906 528 2132 624">Independent</td> </tr> <tr> <td data-bbox="1126 624 1413 687">Mr Gary Washington</td> <td data-bbox="1413 624 1603 687">Executive Director</td> <td data-bbox="1603 624 1906 687">02/08/2006</td> <td data-bbox="1906 624 2132 687">Not Independent</td> </tr> <tr> <td data-bbox="1126 687 1413 807">Mr Darryl Abotomey</td> <td data-bbox="1413 687 1603 807">Executive Director</td> <td data-bbox="1603 687 1906 807">Non-Executive Director:11/04/2023 Executive Director effective 15/08/2023</td> <td data-bbox="1906 687 2132 807">Not Independent</td> </tr> </tbody> </table> <p>Mr Gary Washinton is not considered to be independent as he is employed in an executive capacity by the Company and a substantial shareholder of the Company.</p> <p>Mr Darryl Abotomey was appointed as an Independent Non-Executive Director on 11 April 2023. On 15 August 2023, Mr Abotomey was appointed as Interim Chief Executive Officer and as such is not considered to be independent as he is employed in an executive capacity by the Company.</p> <p><b><i>Independent professional advice</i></b></p> <p>With the prior approval of the Chairman, each Director has the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings in order to fulfil their duties and responsibilities as Directors.</p>	Name	Position	Appointment Date	Independence	Mr Glenn Davis	Non-Executive Director & Chairman	17/01/2022	Independent	Mr Donald McGurk	Non-Executive Director	24/03/2022	Independent	Mr Gary Washington	Executive Director	02/08/2006	Not Independent	Mr Darryl Abotomey	Executive Director	Non-Executive Director:11/04/2023 Executive Director effective 15/08/2023	Not Independent
Name	Position	Appointment Date	Independence																			
Mr Glenn Davis	Non-Executive Director & Chairman	17/01/2022	Independent																			
Mr Donald McGurk	Non-Executive Director	24/03/2022	Independent																			
Mr Gary Washington	Executive Director	02/08/2006	Not Independent																			
Mr Darryl Abotomey	Executive Director	Non-Executive Director:11/04/2023 Executive Director effective 15/08/2023	Not Independent																			

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<p><b>Recommendation 2.4</b></p> <p>A majority of the board of a listed entity should be independent directors.</p>	No	<p>As per the assessment of Director independence above, the majority of the Board are independent, Non-Executive Directors during the year ended 30 June 2023.</p> <p>On 15 August 2023, Mr Abotomey was appointed as Interim Chief Executive Officer and as such is not considered to be independent. The Board considers that a board comprising four members with the relevant skills of each member is sufficient for the time being for a company of the size and nature of Adrad.</p>
<p><b>Recommendation 2.5</b></p> <p>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.</p>	Yes	<p>The Board requires that the Chairman be an independent director and that the role of Chairman of the Board is separate from that of the Chief Executive Officer who is responsible for the day to day management of the Company. The role of the Chairman has been fulfilled by Mr Glenn Davis, who is an independent Director and the role of Chief Executive Officer has been fulfilled by Mr Donald Cormack (up until 15 August 2023) and Mr Darryl Abotomey (appointed 15 August 2023).</p>
<p><b>Recommendation 2.6</b></p> <p>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 a Director effectively.</p>	Yes	<p>An induction process including appointment letters exists to promote early, active and relevant involvement of new members of the Board. All Directors are encouraged to further their knowledge through ongoing professional development through professional industry, governance and government bodies.</p>



RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<b>Principle 3: Instil a culture of acting lawfully, ethically and responsibly</b>		
<b>Recommendation 3.1</b> A listed entity should articulate and disclose its values	Yes	Adrad's core values are: Integrity, Teamwork, Respect, Communication, Enthusiasm and Safety.
<b>Recommendation 3.2</b> 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.	Yes	<p>The Company aims for an appropriate standard of corporate governance and ethical conduct by Directors and employees.</p> <p>All directors have signed agreements with the Company which require them to comply with all the obligations of a director under the Corporations Act 2001(Cth). Directors are required to disclose to the Board any material contract in which they may have an interest. In accordance with Section 195 of the Corporations Act 2001(Cth), a director having a material personal interest in any matter to be dealt with by the Board, will not be present when that matter is considered by the Board and will not vote on that matter, subject to the discretion of the Board.</p> <p>All Directors are required to provide the Company with details of all securities registered in the Director's name or an entity in which the director has a relevant interest.</p> <p>Directors, officers and employees are not permitted to trade in securities of the Company at any time whilst in possession of price sensitive information not readily available to the market. The Corporations Act 2001(Cth) also prohibits the acquisition and disposal of securities where a person possesses information that is not generally available, and which may reasonably be expected to have a material effect on the price of the securities if the information was generally available.</p> <p>The Company has a Code of Conduct for Directors, officers, executives, managers, supervisors, employees, contractors and service providers. A copy of the Code of Conduct is available on the Company's website.</p> <p>The Chief Executive Officer will advise the Board of any material breaches of the Company's Code of Conduct, at least at the Company's next Board meeting or earlier depending on the circumstances.</p>

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<p><b>Recommendation 3.3</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</p>	<p>Yes</p>	<p>The Company's Whistleblower Policy is available on the Company's website.</p> <p>The Chief Executive Officer or Company Secretary will advise the Board of any material breaches of the Company's Whistleblower Policy, at least at the Company's next Board meeting or earlier depending on the circumstances.</p>
<p><b>Recommendation 3.4</b></p> <p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.</p>	<p>Yes</p>	<p>The Company's Anti-Bribery and Corruption Policy is available on the Company's website.</p> <p>The Chief Executive Officer or Company Secretary will advise the Board of any material breaches of the Company's Anti-Bribery and Corruption Policy, at least at the Company's next Board meeting or earlier depending on the circumstances.</p>

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<b>Principle 4: Safeguard the integrity of corporate reports</b>		
<p><b>Recommendation 4.1</b></p> <p>The board of a listed entity should:</p> <p>a) have an audit committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director, who is not the chair of the board, and disclose:</li> <li>3) the charter of the committee;</li> <li>4) the relevant qualifications and experience of the members of the committee; and</li> <li>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</li> </ol> <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>	Partially	<p>The Company has an Audit and Risk Committee ('Committee') that undertakes the role of the audit committee. The role and responsibilities, composition, structure and membership requirements of the Audit and Risk Committee are documented in the Audit and Risk Committee Charter.</p> <p>The purpose of the Audit and Risk Committee is to assist the Board in fulfilling its statutory and fiduciary responsibilities relating to:</p> <ol style="list-style-type: none"> <li>(a) the quality and integrity of the Company's financial statements, accounting policies and financial reporting and disclosure practices;</li> <li>(b) compliance with all applicable laws, regulations and Company policy;</li> <li>(c) the effectiveness and adequacy of internal control processes;</li> <li>(d) overseeing internal audit functions;</li> <li>(e) the scope of the external auditor's work plan;</li> <li>(f) performance of the external auditors and their appointment and removal;</li> <li>(g) the independence of the external auditor and the rotation of the lead engagement partner;</li> <li>(h) the identification and management of business, economic, environmental, climate-related and social sustainability risks; and</li> <li>(i) the review of the Company's risk management framework at least annually to satisfy itself that it continues to be sound and to determine whether there have been any changes in the material business risks the Company faces and to ensure that they remain within the risk appetite set by the Board.</li> </ol> <p>The Audit and Risk Committee consists of two Directors Mr Donald McGurk (Chairman) and Mr Glenn Davis. Mr McGurk and Mr Davis are independent Non-Executive Directors.</p> <p>Due to the Company's size and nature, the Board considers that the current structure of the Audit and Risk Committee reflects a cost effective and practical approach to monitor and review risks affecting the Company's business and operation.</p>

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<b>Recommendation 4.1</b> Continued..		The Directors' qualifications and their attendances at meetings are included in the 2023 Annual Report. The Company's Audit and Risk Committee Charter is available on the Company's website at <a href="http://www.adradholdings.com.au/investors">www.adradholdings.com.au/investors</a> .
<p><b>Recommendation 4.2</b></p> <p>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.</p>	Yes	<p>The person who performs the Chief Executive Officer and Chief Financial Officer roles are required to provide written declarations under s295A of the Corporations Act that, in their opinion;</p> <p>(a) 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 a fair view of the financial position and performance of the entity; and</p> <p>(b) that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p> <p>The Interim Chief Executive Officer, Darryl Abotomey and the Chief Financial Officer, Rod Hyslop have provided their declarations to the Board in relation to the 2023 Annual Report.</p>
<p><b>Recommendation 4.3</b></p> <p>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.</p>	Yes	<p>A periodic corporate report includes an entity's annual directors' reports, and in some cases, integrated reports (if prepared as a separate annual report) and sustainability reports.</p> <p>The preparation of public corporate reports is a similar methodology to the preparation of reports that are audited or reviewed by an external auditor. At all times the Company strives to satisfy itself that the report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions.</p> <p>The originator of the report ensures that all statements and financial information or calculations are supported by source documentation or factual evidence and have a reasonable basis. All assumptions within a document or financial model are disclosed and considered for appropriateness. Material accuracy, appropriate information and balanced reporting is achieved by layers of review undertaken within the organisation by senior managers, peer reviews, CEO review, Company Secretary review and final review and approval is undertaken by the Board. A majority of Directors' approval is required prior to the release of the document to the ASX.</p> <p>If there is any uncertainty regarding the materially accuracy of a corporate report, the Company will seek external advice or review of the document. Any errors or misleading information that may be published is corrected by the Company via a separate release as soon as the Company becomes aware of the error.</p>

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<b>Principle 5: Make timely and balanced disclosure</b>		
<p><b>Recommendation 5.1</b></p> <p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under the listing rules 3.1.</p>	Yes	<p>The Company has in place a continuous disclosure policy, a copy of which is provided to all Company officers and employees who may from time to time be in the possession of undisclosed information that may be material to the price or value of the Company's securities.</p> <p>The continuous disclosure policy aims to ensure timely compliance with the Company's continuous disclosure obligations under the Corporations Act 2001 (Cth) and ASX Listing Rules and ensure officers and employees of the Company understand these obligations. The procedure adopted by the Company is essentially that any information which may need to be disclosed must be brought to the attention of the Chairman, who in consultation with the Board (where practicable) and any other appropriate personnel, will consider the information and whether disclosure is required and prepare an appropriate announcement.</p> <p>The Board will monitor and review the Company's compliance with the continuous disclosure policy on a regular basis. Any updates or improvements identified will be addressed as soon as possible.</p> <p>The Company's Continuous Disclosure Policy is available on the Company's website.</p>
<p><b>Recommendation 5.2</b></p> <p>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	Yes	<p>All Directors of the Company receive the ASX confirmation of the lodgement of an ASX Announcement by email from the ASX Market Announcements platform.</p>
<p><b>Recommendation 5.3</b></p> <p>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.</p>	Yes	<p>In accordance with the Company's Continuous Disclosure policy, a copy of any presentation materials used by the Company must first be released on the ASX Market Announcements Platform ahead of the presentation, to ensure a fully informed market.</p>

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<b>Principle 6: Respect the rights of security holders</b>		
<p><b>Recommendation 6.1</b></p> <p>A listed entity should provide information about itself and its governance to investors via its website.</p>	Yes	<p>The Company operates under the continuous disclosure requirements of the ASX Listing Rules and aims to ensure that all information which may be expected to affect the value of the Company's securities or influence investment decisions is released to the market in order that all investors have equal and timely access to material information concerning the Company. The information is made publicly available on the Company's website following release to the ASX.</p> <p>The Company website also has a corporate governance page which provides access to the Company's constitution, Board and Committee charters, corporate governance policies and statements at <a href="http://www.adradholdings.com.au/investors">www.adradholdings.com.au/investors</a>.</p>
<p><b>Recommendation 6.2</b></p> <p>A listed entity should have an investor relations program that facilitate effective two-way communication with investors.</p>	Yes	<p>The Company engages external advisers to facilitate its investor relations program. Investor relations queries can be directed to Company Secretary.</p> <p>Information is also communicated to Shareholders as follows:</p> <ul style="list-style-type: none"> <li>(a) as the Company is a disclosing entity, regular announcements are made to the Australian Securities Exchange in accordance with the Company's continuous disclosure policy, including, half-year audit reviewed accounts, year-end audited accounts and an Annual Report;</li> <li>(b) the Board ensures the Annual Report includes relevant information about the operations of the Company during the year, changes in the state of affairs and details of future developments;</li> <li>(c) any proposed major changes in the Company's affairs are submitted to a vote of Shareholders, as required by the Corporations Act 2001 (Cth);</li> <li>(d) the Board encourages full participation of Shareholders at the Annual General Meeting to ensure a high level of accountability and identification of the Company's strategies and goals. All Shareholders who are unable to attend these meetings are encouraged to communicate or ask questions by writing to the Company; and</li> <li>(e) the external auditor is requested to attend the annual general meetings to answer any questions concerning the audit and the content of the auditor's report.</li> </ul> <p>The Board reviews this policy and compliance with it on an ongoing basis.</p>

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<p><b>Recommendation 6.3</b></p> <p>A listed entity should disclose how it facilitates and encourage participation at meetings of security holders.</p>	Yes	The Board encourages full participation of shareholders at the Annual General Meeting and general meeting to ensure a high level of accountability and identification with the Company's strategy and goals. Important issues are presented to the Shareholders as single resolutions and Shareholder discussion of the resolutions is encouraged.
<p><b>Recommendation 6.4</b></p> <p>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.</p>	Yes	The Constitution stipulates a resolution put to the vote at a meeting of members must be decided on a show of hand unless a poll is demanded. Noting that the Chairman can call a poll. The 2022 Annual General Meeting was conducted by a poll. The 2023 Annual General Meeting will be conducted by a poll.
<p><b>Recommendation 6.5</b></p> <p>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	Yes	The Board aims to ensure that Shareholders are given the opportunity to engage with the Company as conveniently as possible. Shareholders are able to receive communications from the Company electronically via the Company's share registry, Computershare Investor Services. Shareholders are also able to contact the Company via its public email address <a href="mailto:cosec@adrad.com.au">cosec@adrad.com.au</a> and the share registry via its online portal, Investor Centre – Australia <a href="https://www-au.computershare.com/Investor/#Home">https://www-au.computershare.com/Investor/#Home</a>

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<b>Principle 7: Recognise and manage risk</b>		
<p><b>Recommendation 7.1</b></p> <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director, and disclose:</li> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>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</li> </ol> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</p>	Partially	<p>The Company has an Audit and Risk Committee ('Committee') that undertakes the role of the risk committee. The role and responsibilities, composition, structure and membership requirements of the Audit and Risk Committee are documented in the Audit and Risk Committee Charter.</p> <p>The Audit and Risk Committee is to assist the Board in fulfilling its statutory and fiduciary responsibilities relating to:</p> <ol style="list-style-type: none"> <li>(a) the identification and management of business, economic, environmental, climate-related and social sustainability risks; and</li> <li>(b) the review of the Company's risk management framework at least annually to satisfy itself that it continues to be sound and to determine whether there have been any changes in the material business risks the Company faces and to ensure that they remain within the risk appetite set by the Board.</li> </ol> <p>The Audit and Risk Committee consists of two Directors Mr Donald McGurk (Chairman) and Mr Glenn Davis. Mr McGurk and Mr Davis are independent Non-Executive Directors.</p> <p>Due to the Company's size and nature, the Board considers that the current structure of the Audit and Risk Committee reflects a cost effective and practical approach to monitor and review risks affecting the Company's business and operation.</p> <p>The Directors' qualifications and their attendances at meetings are included in the 2023 Annual Report. The Company's Audit and Risk Committee Charter is available on the Company's website at <a href="http://www.adradholdings.com.au/investors">www.adradholdings.com.au/investors</a>.</p>



RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<p><b>Recommendation 7.2</b></p> <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>Yes</p>	<p>The Company's maintains a risk management framework in accordance with its risk management policy. The Board determines the Company's "risk profile" and is responsible for stablishing, overseeing and approving the Company's risk management framework, strategy and policies, internal compliance and internal control.</p> <p>The Board has delegated to the Audit and Risk Committee responsibility for implementing the risk management system.</p> <p>The role and responsibilities, composition, structure and membership requirements of the Audit and Risk Committee are documented in the Audit and Risk Committee Charter.</p> <p>The Audit and Risk Committee will submit particular matters to the Board for its approval or review. Among other things it will:</p> <p>(a) oversee and periodically review the Company's risk management framework, systems, practices and procedures to ensure effective risk identification and management and compliance with the risk appetite set by the Board, internal guidelines and external requirements;</p> <p>(b) assist management to determine whether it has any material exposure to environmental or social risks;</p> <p>(c) consider whether the Company has a material exposure to climate change risk;</p> <p>(d) assist management to determine the key risks to the businesses and prioritise work to manage those risks;</p> <p>(e) assess whether the Company is required to publish an integrated report or a sustainability report; and</p> <p>(f) review reports by management on the efficiency and effectiveness of risk management and associated internal compliance and control procedures.</p>

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<p><b>Recommendation 7.3</b></p> <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	<p>No</p> <p>Yes</p>	<p>The Company does not have an internal audit function and does not believe that the size and nature of the Company warrants establishment of said function at this time.</p> <p>Procedures have been established at the Board and Management levels that are designed to safeguard the assets and interests of the Company, and to ensure the integrity of reporting. These include accounting, financial reporting and internal control policies and procedures. To achieve this, the Directors perform the following procedures:</p> <p>(a) ensure appropriate follow-up of significant audit findings and risk areas identified;</p> <p>(b) review risk management and internal compliance procedures;</p> <p>(c) review the scope of the external audit to align it with Board requirements; and</p> <p>(d) conduct a detailed review of published accounts.</p>
<p><b>Recommendation 7.4</b></p> <p>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.</p>	<p>Yes</p>	<p>The Board recognises that there are inherent risks associated with the Company's operations. The Board endeavours to mitigate such risks by continually reviewing the activities of the Company in order to identify key environmental and social risks and ensuring that they are appropriately assessed and managed.</p> <p>The manufacture and supply of goods and the provision of services by the Company carries with it a risk of liability for losses arising from the provision of defective goods or services, environmental damage, personal injury or property damage and indirect or consequential losses suffered by third parties.</p> <p>The Board and Management do not consider that the entity has any material exposure to economic, environmental or social sustainability risks and has similar operating risks to any other business manufacturing and supplying goods in Australia.</p>

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<b>Principle 8: Remunerate fairly and responsibly</b>		
<p><b>Recommendation 8.1</b></p> <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director, and disclose:</li> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>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</li> </ol> <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>	Yes	<p>The Company has a Remuneration and Nomination Committee ('Committee') that undertakes the role of the remuneration committee. The role and responsibilities, composition, structure and membership requirements of the Remuneration and Nomination Committee are documented in the Remuneration and Nomination Committee Charter.</p> <p>The purpose of the Remuneration and Nomination Committee is to support and advise the Board in fulfilling its responsibilities to shareholders by:</p> <ol style="list-style-type: none"> <li>(a) reviewing and approving the executive remuneration policy to enable the Company to attract and retain executives and Directors who will create value for shareholders;</li> <li>(b) ensuring that the executive remuneration policy demonstrates a clear relationship between key executive performance and remuneration;</li> <li>(c) recommending to the Board the remuneration of executive Directors;</li> <li>(d) fairly and responsibly rewarding executives having regard to the performance of the Company, the performance of the executive and the prevailing remuneration expectations in the market without rewarding conduct that is contrary to the Company's values or risk appetite and having regard to the Group's commercial interest in controlling expenses;</li> <li>(e) ensuring incentives for non-executive directors do not conflict with their obligation to bring an independent judgement to matters before the Board;</li> <li>(f) reviewing and approving the remuneration of direct reports to the Chief Executive Officer/Managing Director, and as appropriate other senior executives; and</li> <li>(g) reviewing and approving any equity-based plans and other incentive schemes.</li> </ol> <p>The Remuneration and Nomination Committee consists of three Directors Mr Glenn Davis (Chairman), Mr Donald McGurk and Mr Gary Washington. Mr Davis and Mr McGurk are independent Non-Executive Directors. The Directors' qualifications are included in the 2023 Annual Report.</p>

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	FOLLOWED	EXPLANATION
<p><b>Recommendation 8.1</b> Continued..</p>		<p>The Committee did not hold separate meetings during the year ended 30 June 2023. The duties and responsibilities of the Committee have been fulfilled by the Board in Directors meetings.</p> <p>Due to the Company's size and nature, the Board considers that the current structure of the Audit and Risk Committee reflects a cost effective and practical approach to monitor and review risks affecting the Company's business and operation.</p> <p>The Company's Remuneration and Nomination Committee Charter is available on the Company's website at <a href="http://www.adradholdings.com.au/investors">www.adradholdings.com.au/investors</a>.</p>
<p><b>Recommendation 8.2</b></p> <p>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>	Yes	<p>Non-Executive Directors will be remunerated by cash, director's fees or share benefits alone and will not be provided with retirement benefits, other than statutory superannuation contributions. Executive Directors and Executives may be remunerated by both fixed remuneration and equity performance based remuneration plus statutory superannuation contributions but no termination payments will be agreed other than a reasonable period of notice of termination as detailed in the executive's employment contract.</p>
<p><b>Recommendation 8.3</b></p> <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>	Yes	<p>The Company does have an equity-based remuneration scheme. The Company has a policy that participants are not permitted to enter into transactions which limit the economic risk of participating in the scheme.</p> <p>A copy of the Company's securities trading policy is available on the Company's website at <a href="http://www.adradholdings.com.au/investors">www.adradholdings.com.au/investors</a>.</p>