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**WARREGO ENERGY LIMITED**  
**CORPORATE GOVERNANCE**  
**STATEMENT**

The Board of directors acknowledges the Principles of Good Corporate Governance and Best Practice Recommendations set by the Australian Stock Exchange (“ASX”) Corporate Governance Council. However, in view of the Warrego’s current size and extent of nature of operations, full adoption of the recommendations is currently not practical. The Board will continue to work towards full adoption of the recommendations in line with growth and development of the Company. Fundamental to this commitment is transparent reporting of compliance with current guidelines. Therefore, in accordance with ASX Corporate Governance Council’s “Corporate Governance Principles and Recommendations with 2019 (4th Edition)” the Company reports as follows:

## Principle 1 – Lay solid foundations for management and oversight

### **Recommendation 1.1- Comply:**

*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.*

The Board is accountable to the shareholders for the performance of the Company and has overall responsibility for its operations. Day to day management of the Company’s affairs and the implementation of the corporate strategy and policy initiatives, are formally delegated by the Board to the Managing Director.

The key responsibilities of the Board include:

- developing, approving and monitoring implementation of corporate policy, strategy and performance objectives;
- developing and monitoring adoption of the most appropriate principles of corporate governance;
- reviewing and ratifying systems of risk management and internal control, codes of conduct and legal compliance;
- approving and monitoring the progress of major capital expenditure projects, funding programmes, acquisitions and divestments;
- reviewing and approving annual business plans, operating and capital budgets;
- reviewing and ratifying systems for health, safety, environment management and controls;
- appointing and evaluating the performance of senior executives; and
- selecting and appointing new directors to the Board and evaluating the performance of all members of the Board.

In performing these responsibilities the Board acts in a manner designed to create and build sustainable value for all shareholders in accordance with the duties and obligations imposed upon them by the Company’s Constitution and by law.

For the purposes of the proper performance of their duties, the directors are entitled to seek independent professional advice at the Company’s expense, unless the Board determines otherwise. The Board schedules meetings on a regular basis and other meetings as and when required and regularly reviews the division of responsibility between the Board and management.

The Company's current Board Charter is available at:

<https://www.warregoenergy.com/uploads/BOARD-CHARTER-2021.pdf>

The Company's Managing Director and key executives are responsible for implementing the strategic objectives with appropriate reference to the risk framework as set by the Board and all aspects of the day-to-day operation of the Company.

### **Recommendation 1.2 - Comply:**

*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.*

The Company has an agreed process for the selection, nomination and appointment of directors guided by the Board. An integral part of this process requires that the Board ascertain the qualifications and experience that a potential candidate should possess prior to shortlisting candidates. Appropriate background checks are carried out on any potential candidates before a person is appointed by the Board, put forward as a candidate for election as a director or appointment as a senior executive.

Before each Annual General Meeting, the Board internally determines the suitability of candidates for re-election as directors. Factors influencing this decision include the outcome of any Board performance reviews and any other relevant matters. Sufficient background information including biographical detail, other directorships and status as independent or otherwise, is then provided in the Company's market disclosures including its Corporate Governance Statement and Notice of Meeting for shareholders to inform them appropriately of potential candidates.

### **Recommendation 1.3 - Comply:**

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

The Company has written agreements in place with all directors (which includes a signed consent to act) and all key executives. Such agreements stipulate in the case of non-executive directors, amongst other items, the time commitment envisaged, remuneration and term of appointment and confidentiality obligations. In the case of key executives, additional items include the reporting structure applicable to that executive and their duties and responsibilities in the role as well as termination provisions and benefits.

#### **Recommendation 1.4 - Comply:**

*The Company Secretary of a listed entity should be accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.*

The Company Secretary reports directly to the Board through the Chairman on Board matters and all directors have access to the Company Secretary. The Company Secretary's responsibilities include advising the Board on governance matters, monitoring Board and Committee policy and procedures, ensuring conduct at Board meetings is accurately reflected in minutes and that appropriate induction of new directors is facilitated.

#### **Recommendation 1.5 – Does not Comply for period:**

*A listed entity should:*

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

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

At its current stage of development the Company does not have a formal diversity policy as the Company has fewer than 10 employees. Administrative and technical services are provided by consultants. The Company is committed to following best practice in managing diversity generally.

As the Company has not yet adopted a diversity policy and has not set any measurable objectives for achieving gender diversity it does not comply with this recommendation. It is anticipated that the Board will establish a formal diversity policy as the Company expands its operations and in this context will set measurable objectives to assist in achieving gender diversity in the Company's workforce.

### **Recommendation 1.6 – Does not Comply for period:**

*A listed entity should:*

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

No formal review was conducted during the reporting period. The Company is in the process of establishing an evaluation process.

### **Recommendation 1.7 – Comply:**

*A listed entity should:*

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

Recognising that the performance of key executives and management is integrally linked to the performance of the Company, a performance evaluation of key executives is conducted annually in accordance with the processes outlined in the Remuneration Report. Performance of key management is reviewed annually by the Board and Managing Director and has been conducted for the reporting period.

## **Principle 2 – Structure the Board to be effective and add value**

A listed entity should have a Board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.

### **Recommendation 2.1 – Does not comply for period:**

*The Board of a listed entity should:*

- (a) have a nomination committee which:*
  - (1) has at least three members, a majority of whom are independent directors; and*
  - (2) is chaired by an independent director;*
- and disclose:*
  - (3) the charter of the committee;*
  - (4) the members of the committee; and*
  - (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*

(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address Board succession issues and to ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

The Company has a combined Remuneration and Nomination Committee which consisted of three non-executive directors until 31 August 2020 and two independent non-executive directors thereafter. The Committee was not constituted by three members for parts of the reporting period due to the Board having only two independent non-executive directors available to be members.

The Chair of the Committee is an independent non-executive director (Mr Greg Columbus) and the members, number of times the Committee met and individual attendances of the members at the meetings are disclosed in the Company's Annual Report on page 25.

The Charter of the Committee is available at:

<https://www.warregoenergy.com/uploads/REMUNERATION-AND-NOMINATION-CHARTER-2021.pdf>

### **Recommendation 2.2 - Comply:**

*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.*

While recognising that each director will not necessarily have experience in each of the following areas, the Board believes that a highly credentialed Board, with a diversity of background, skills and perspectives, will be effective in supporting and enabling delivery of good governance for the Company and value for the Company's shareholders.

The mix of skills Board currently has and that it is looking to achieve in its membership includes:

- accounting and audit
- ASX Board membership experience
- business management
- subsurface experience including:
  - drilling and completions
  - construction and project management
- human resources
- operational experience
- corporate governance and ethics
- corporate finance
- HSE and sustainability
- legal
- investor relations
- management systems and risk management
- merger and acquisitions
- Government, indigenous, community engagement
- exploration / new ventures
- industry networks stakeholder engagement
- interpersonal and communication skills

- strategic planning
- foreign country experience

### **Recommendation 2.3 - Comply:**

*A listed entity should disclose:*

- the names of the directors considered by the Board to be independent directors;*
- 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*
- the length of service of each director.*

The following directors are considered by the Company to be independent director because they are each free of any interest, position, association or relationship that might be perceived to influence in a material way their capacity to bring independent judgement to bear on issues before the Board nor do they and their associates own more than 5% of the Company's share capital:

- Mark Routh Non-executive Director
- Greg Columbus Non-executive Chairman

Subsequent to the reporting period, Mark Routh was appointed Managing Director of Prospex Energy Plc. Prospex Energy Plc. is in a joint venture relationship with the Company with respect to the El Romeral and Tesorillo assets in Spain. Given the non-material nature of the Company's assets in Spain the Company continues to regard Mark Routh as an independent Non-Executive Director but will continue to assess the position.

Mr Columbus was appointed to the Board of the Company on 22 November 2018. Messrs Biggs, Routh and Donald were appointed to the Board on 21 March 2019 following the EGM held on 15 March 2019.

### **Recommendation 2.4 - Does not Comply for period:**

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

During the reporting period, the Board was evenly balanced with two of the four directors considered to be independent with regards to the criteria established in the ASX Corporate Governance Council's Principles and Recommendations. The Board is keeping this position under review and as the Company expands its operations it is anticipated that the Company will look to appoint an additional independent non-executive director.

### **Recommendation 2.5 - Comply:**

*The Chair of the Board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.*

The Chairman of the Company is an independent director and performs no executive responsibilities. The roles of the Company Chairman and Managing Director are not exercised by the same individual.

### **Recommendation 2.6 - Comply:**

*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.*

The letter of appointment provided to new directors when appointed covers sufficient information as regards the Company's internal policies and operations as well as general requirements of directors, for them to adequately perform their duties as directors.

All directors are expected to maintain the skills required to effectively discharge their obligations to the Company. Directors are encouraged to undertake continuing professional education and where appropriate approved education courses are paid for by the Company.

## **Principle 3 – Instil a culture of acting lawfully, ethically and responsibly**

### **Recommendation 3.1: Does not Comply for period:**

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

Subsequent to the reporting period the Company approved the following values statement:

**Integrity** – Honesty in our dealings and respectful in our approach with each other, our stakeholders and all people we deal with

**Hard Working** – a bias to action and belief that effort brings rewards

**Capable** – hiring and retention of skilled people

**Collaboration** – a willingness to listen, an acceptance of challenge and an ability to work in a team

**Inclusiveness** – promotion of diversity and equality of opportunity for our workforce for the benefit of all

**Transparent** – belief that open dealings generate trust and respect



### **Recommendation 3.2 – Comply:**

*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.*

The Company's policy requires that the directors and management conduct themselves with the highest ethical standards. All directors and employees are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

The Company has a Code of Conduct for directors and employees which outlines the practices necessary to maintain confidence in the Company's integrity, the practices necessary to take into account its legal obligations and the reasonable expectations of its stakeholders and the responsibilities of individuals for reporting and investigating reports of unethical practices.

The Code of Conduct is available at:

<https://www.warregoenergy.com/uploads/CODE-OF-CONDUCT-2021.pdf>

### **Recommendation 3.3 – Does not comply for entire period:**

*A listed entity should:*

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

The Company adopted a formal Whistleblower Policy in August 2020. The Whistleblower Policy is available at: <https://www.warregoenergy.com/uploads/WhistleblowerPolicy2021.pdf>

Any matters arising under the Whistleblower Policy are required to be reported to the Board. There were no incidents reported under the Whistleblower Policy to the Board during the reporting period.

### **Recommendation 3.4 – Comply:**

*A listed entity should:*

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

The Company has an Anti-Corruption and Bribery Policy. The Anti-Corruption and Bribery Policy is available at: <https://www.warregoenergy.com/uploads/ANTI-CORRUPTION-AND-BRIBERY-POLICY2021.pdf>

Any matters arising under the Anti-Corruption and Bribery Policy are required to be reported to the Board. There were no incidents reported under the Anti-Corruption and Bribery Policy to the Board during the reporting period.

## Principle 4 - Safeguard the integrity of corporate reports

### **Recommendation 4.1 – Does not comply for period:**

*The Board of a listed entity should:*

(a) *have an audit committee which:*

- (1) *has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and*
  - (2) *is chaired by an independent director who is not the Chair of the Board;*
- and disclose:*
- (3) *the charter of the committee;*
  - (4) *the relevant qualifications and experience of the members of the committee; and*
  - (5) *in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*

(b) *if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including that processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.*

The Company has an established Audit Committee and at the time of reporting the Committee consists of two independent non-executive directors and not three as recommended given that the remaining two directors are both executive directors of the Company.

The Audit Committee charter is available at:

<https://www.warregoenergy.com/uploads/AUDIT-COMMITTEE-CHARTER-2021.pdf>

The charter sets out its role and responsibilities, composition, structure and membership requirements. The relevant qualifications and experience of the members, number of times the Committee met and individual attendances of the members at the meetings are disclosed in the Company's Annual Report at page 9 of the Directors' Report.

### **Recommendation 4.2 - Comply:**

*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.*

Prior to approving financial statements for a reporting period, the CEO and CFO state in writing to the Board that the Company's financial reports for that reporting period present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards. Included in this statement is a confirmation that the Company's risk management and internal controls are operating efficiently and effectively.

### **Recommendation 4.3 - Comply:**

*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.*

All periodic corporate reports are approved by the Board of the Company. In this context the CFO and Group CEO provide a declaration to the Board that any such periodic corporate reports comply with the accounting standards and provide a true and fair view consistent with section 295(4) of the Corporations Act 2001.

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

### **Recommendation 5.1 - Comply:**

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

The Company has an established continuous disclosure policy designed to ensure that all investors have equal and timely access to material information relating to the Company. The policy articulates the type of information that needs disclosure, the process of internal notification, the roles and responsibilities in the disclosure process, the process of promoting an understanding of disclosure requirements and external communication protocols.

This policy is available at:

<https://www.warregoenergy.com/uploads/CONTINUOUS-DISCLOSURE-AND-SHAREHOLDER-COMMUNICATION-POLICY-2021.pdf>

### **Recommendation 5.2**

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

All members of the Board receive copies of material market announcements following their release.

### **Recommendation 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.*

Prior to the publication of any new and substantive investor or analyst presentation, the Company releases a copy of the presentation materials on the ASX Market Announcements Platform in accordance with the Company's Continuous Disclosure and Shareholder Communication Policy.

## Principle 6 - Respect the rights of security holders

### **Recommendation 6.1 - Comply:**

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

The Company has a detailed website which is maintained regularly to ensure accuracy of information. Investors and stakeholders can access all ASX announcements, presentations, annual financial statements and corporate governance information on this website. Company announcements available on the website are presented in a clear and balanced way containing both positive and negative information. The Company's senior management regularly participate in investor roadshows and conferences and those presentations are uploaded to the website. The website is located at: [www.warregoenergy.com](http://www.warregoenergy.com)

### **Recommendation 6.2 - Comply:**

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

The Company has an established a Shareholder Communication Strategy that articulates how the Company will communicate with stakeholders to enhance their understanding of the Company, its business, policies, financial performance and progress. The Company website also provides the opportunity for interested parties to join the Company's mailing list to receive regular updates.

The Shareholder Communication Strategy is available at:

<https://www.warregoenergy.com/uploads/SHAREHOLDER-COMMUNICATIONS-STRATEGY-2021.pdf>

The Company's Continuous Disclosure Policy is also available at:

<https://www.warregoenergy.com/uploads/CONTINUOUS-DISCLOSURE-AND-SHAREHOLDER-COMMUNICATION-POLICY-2021.pdf>

### **Recommendation 6.3 - Comply:**

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

The Company recognizes the importance of shareholder meetings as a forum for communication and has an established a communications process for how the Company communicates with its shareholders including attendance at shareholder meetings. The Company also provides clear guidance in Notices of Meeting for General Meetings that shareholders are encouraged to ask questions both prior to and during such Meetings.

The Company's Shareholder Communication Strategy is available at:

<https://www.warregoenergy.com/uploads/SHAREHOLDER-COMMUNICATIONS-STRATEGY-2021.pdf>

#### **Recommendation 6.4 - Comply:**

*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.*

The Company ensures that all substantive resolutions at General Meetings are decided by a poll. All resolutions at the Company's Annual General Meeting held on 25 November 2020 and Extraordinary General Meeting held on 10 August 2021 were decided by a poll.

#### **Recommendation 6.5 - Comply**

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

The Company's share registry services provider, Boardroom Pty Ltd, gives security holders the option to receive formal correspondence by way of electronic communication. The Company also encourages electronic communication and has a dedicated email address with respect to shareholder queries at: [investors@warregoenergy.com](mailto:investors@warregoenergy.com). This email address is provided as an electronic contact point on all ASX announcements.

## **Principle 7 - Recognise and manage risk**

#### **Recommendation 7.1 - Comply:**

*The Board of a listed entity should:*

- (a) *have a committee or committees to oversee risk, each of which:*
- (1) *has at least three members, a majority of whom are independent directors; and*
  - (2) *is chaired by an independent director;*

*and disclose:*

- (3) *the charter of the committee;*
  - (4) *the members of the committee; and*
  - (5) *as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendance of members at those meetings; or*
- (b) *if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.*

The Company does not have a risk committee. The Board takes direct responsibility for the entity's risk management framework. The Board regularly monitors the operational and financial risks inherent in the entity's activities and considers the recommendations and advice of the Audit Committee and external auditors and other specialist external advisers as the case may be on the risks that face the entity.

The Board ensures that recommendations made by the Audit Committee as well as external auditors and other specialist external advisers are investigated and, where considered necessary, appropriate action is taken by management to ensure that the entity has an appropriate internal control environment or clear processes in place to manage the key risks identified.

In addition, the Board investigates ways of enhancing existing risk management strategies, including appropriate segregation of duties, insuring relevant risks as well as the employment and training of suitably qualified and experienced personnel.

**Recommendation 7.2 – Does not comply for period:**

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

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

The Audit Committee and the Board monitor the Company's material business risks and reports are compiled and considered at regular meetings. The Board is currently in the process of reviewing its risk management processes and systems and is considering expanding the remit of the Audit Committee to specifically include Risk Management.

The Audit Committee met twice during the financial period and took advice from the Company's external auditors in its review of the Company's financial risk framework. It has been established that the internal control system is currently operating effectively in all material aspects.

**Recommendation 7.3 – Does not comply for period:**

*A listed entity should disclose:*

- (a) *if it has an internal audit function, how the function is structured and what role it performs; or*
- (b) *if it does not have an internal audit function that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.*

Given the small number of employees and consultants working for the Company, the Company does not have an internal audit function as it considers the ongoing processes in place for assessing risk and improving the effectiveness of internal controls to be adequate when supported by the external audit function.

**Recommendation 7.4 - Comply:**

*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.*

The Company undertakes oil and gas exploration and evaluation activities and as such faces risks inherent to this business including economic, environmental and social sustainability risks, which may materially impact the Company's ability to create or preserve value for security holders over the short, medium or long term.

The Company views sustainable and responsible business practices as an important long-term driver of performance and shareholder value and is committed to transparency, fair dealing, responsible treatment of employees, partners and the communities in which we operate.

The Company undertakes an ongoing review of its health, safety and environmental risks reporting to the Board on a regular basis. In relation to climate change specifically the Company is aware of financial risks associated with climate change, for example in terms of policy and legislative changes which increase the cost of doing business, changes in technology that may impact the demand from our customers, reputational risk in being associated with a carbon generating product including increased risk in sourcing funds from banks and financial institutions.

The Company is seeking to mitigate the climate associated risks associated with WE Stage 1 with a pro-active emissions reduction strategy proposed by AGI Operations Pty Ltd (AGIG) to the Environmental Protection Authority for the processing of Stage 1 West Erregulla gas. The proposed Greenhouse Gas Management Plan commits to offsetting 60% of plant emissions from commencement of operations and 65% of plant emissions from 2028 representing and a further 5% reduction from 2038. Thereafter plant emissions will incrementally reduce to zero.

In order to assess our resilience to climate change risks Warrego has considered the scenarios published by the Australian Energy Market Operator (AEMO) which are specific to the Western Australian domestic gas market in the 2020 Western Australia Gas Statement of Opportunities. The Company's analysis suggests that the business is resilient over the outlook period and Warrego's position, consistent with gas producer practice, is that it does not take carbon pricing risk in its sales contract arrangements.

Warrego also sees an opportunity with respect to West Erregulla gas as being a transition fuel to a lower carbon economy and the transition from higher emission sources of CO<sub>2</sub>.

Finally, it is the Company's policy to conduct all of its business in an honest and ethical manner. It takes a zero-tolerance approach to bribery and corruption and it is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates and implementing and enforcing effective systems to identify and counter bribery and corruption if encountered in its business dealings and relationships.

The Company's Anti-Corruption & Bribery Policy adopted on 23 April 2019 is available at:  
<https://www.warregoenergy.com/uploads/ANTI-CORRUPTION-AND-BRIBERY-POLICY2021.pdf>

The Company's Occupational Health and Safety and Environment and Quality Policy is available at:  
[https://www.warregoenergy.com/uploads/hse\\_policy.pdf](https://www.warregoenergy.com/uploads/hse_policy.pdf)

## Principle 8 - Remunerate fairly and responsibly

### **Recommendation 8.1 – Does not comply for period:**

*The Board of a listed entity should:*

*(a) have a remuneration committee which:*

- (1) has at least three members, a majority of whom are independent directors; and*
- (2) is chaired by an independent director;*

*and disclose:*

- (3) the charter of the committee;*
- (4) the members of the committee; and*
- (5) as at the end of each reporting period the number of times the committee met throughout the period and the individual attendances of members at those meetings; or:*

*(b) if it does not have a remuneration committee disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.*

As noted under Recommendation 2.2, the Company has a combined Remuneration and Nomination Committee which consisted of two independent non-executive directors until 21 March 2019 and three non-executive directors until 31 August 2020 and two independent non-executive directors thereafter. The Committee was not constituted by three members for parts of the reporting period due to the Board having only two independent non-executive directors available to be members.

The Chair of the Committee is an independent non-executive director and the members, number of times the committee met and individual attendances of the members at the meetings are disclosed in the Company's Annual Report at page 9 of the Directors' Report. The Charter of the Committee is available at <https://www.warregoenergy.com/uploads/REMUNERATION-AND-NOMINATION-CHARTER-2021.pdf>

### **Recommendation 8.2 - Comply:**

*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.*

The Company has a structure which clearly distinguishes non-executive directors' remuneration from that of executive directors and senior executives. The Company is required to disclose in its Annual Report details of remuneration to directors. The remuneration report in the Annual Report provides details regarding the remuneration structure of executive and non-executive directors, the Managing Director and senior executives.



**Recommendation 8.3 - Comply:**

*A listed entity which has an equity-based remuneration scheme should:*

- (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme, and*
- (b) disclose that policy or a summary of it.*

The Company has a securities dealing policy which deals with the sale and purchase of securities in the Company including shares, performance options and performance rights. The policy also governs transactions involving derivatives.

The securities dealing policy is available at:

<https://www.warregoenergy.com/uploads/SECURITIES-DEALING-POLICY-2021.pdf>

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