

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Introduced 01/07/14 Amended 02/11/15

**Name of entity**

DUG Technology Limited

**ABN / ARBN**

169 944 334

**Financial year ended:**

30 June 2020

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>

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

The Corporate Governance Statement is accurate and up to date as at 12 August 2020 and has been approved by the board. This statement is a reflection of the Companies intention to follow the Corporate Governance Council Principles as at the date of listing on the ASX on 12 August 2020 noting that during the reporting period to June 30 2020, the company had not yet adopted the current Corporate Governance Statement.

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

Date: 25 September 2020

Name of Secretary authorising lodgement: Simon Davey

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

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

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

<sup>2</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.

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

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

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): in the Board Charter at <a href="https://dug.com/investor-centre/corporate-governance/">https://dug.com/investor-centre/corporate-governance/</a>	<input type="checkbox"/> an explanation why that is so 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 person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	<input type="checkbox"/> an explanation why that is so 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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	<input type="checkbox"/> an explanation why that is so 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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	<input type="checkbox"/> an explanation why that is so 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> 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		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and a copy of our diversity policy or a summary of it: at <a href="https://dug.com/investor-centre/corporate-governance/">https://dug.com/investor-centre/corporate-governance/</a></p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: in our Diversity Policy at <a href="https://dug.com/investor-centre/corporate-governance/">https://dug.com/investor-centre/corporate-governance/</a></p> <p>... and the information referred to in paragraphs (c)(1) or (2): in the Annual Report at <a href="https://dug.com/investor-centre/asx-financial-reports/">https://dug.com/investor-centre/asx-financial-reports/</a> noting that the current Corporate Governance Statement was not yet adopted by the Board.</p>	<p><input type="checkbox"/> an explanation why that is so 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>
1.6	<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, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement noting that the current Corporate Governance Statement was not yet adopted by the Board.</p>	<p><input type="checkbox"/> an explanation why that is so 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>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement noting that the current Corporate Governance Statement was not yet adopted by the Board.</p>	<p><input type="checkbox"/> an explanation why that is so 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	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO 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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance ... and a copy of the charter of the committee: at <a href="https://dug.com/investor-centre/corporate-governance/">https://dug.com/investor-centre/corporate-governance/</a> ... and the information referred to in paragraphs (4) and (5): in the Annual Report at <a href="https://dug.com/investor-centre/asx-financial-reports/">https://dug.com/investor-centre/asx-financial-reports/</a></p>	<p><input type="checkbox"/> an explanation why that is so 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 and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	<p><input type="checkbox"/> an explanation why that is so 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, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors: at <a href="https://dug.com/investor-centre/board-of-directors/">https://dug.com/investor-centre/board-of-directors/</a> ... and, where applicable, the information referred to in paragraph (b): in our Annual Report at <a href="https://dug.com/investor-centre/asx-financial-reports/">https://dug.com/investor-centre/asx-financial-reports/</a> ... and the length of service of each director: on our website <a href="https://dug.com/investor-centre/board-of-directors/">https://dug.com/investor-centre/board-of-directors/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: in our Annual Report at <a href="https://dug.com/investor-centre/asx-financial-reports/">https://dug.com/investor-centre/asx-financial-reports/</a>	
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	<input type="checkbox"/> an explanation why that is so 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 provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	<input type="checkbox"/> an explanation why that is so 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 – ACT ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: at <a href="https://dug.com/investor-centre/corporate-governance/">https://dug.com/investor-centre/corporate-governance/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and a copy of the charter of the committee: at <a href="https://dug.com/investor-centre/corporate-governance/">https://dug.com/investor-centre/corporate-governance/</a></p> <p>... and the information referred to in paragraphs (4) and (5): In our Annual Report at <a href="https://dug.com/investor-centre/asx-financial-reports/">https://dug.com/investor-centre/asx-financial-reports/</a></p>	<p><input type="checkbox"/> an explanation why that is so 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>... the fact that we follow this recommendation:</p> <p>In our Annual Report at <a href="https://dug.com/investor-centre/asx-financial-reports/">https://dug.com/investor-centre/asx-financial-reports/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.3	<p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement see also the DUG Notice of Meeting here <a href="https://dug.com/investor-centre/asx-announcements/">https://dug.com/investor-centre/asx-announcements/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: at <a href="https://dug.com/investor-centre/corporate-governance/">https://dug.com/investor-centre/corporate-governance/</a>	<input type="checkbox"/> an explanation why that is so 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.	... information about us and our governance on our website: at <a href="https://dug.com/investor-centre/corporate-governance/">https://dug.com/investor-centre/corporate-governance/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: at <a href="https://dug.com/investor-centre/corporate-governance/">https://dug.com/investor-centre/corporate-governance/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <i>At</i> <a href="https://dug.com/investor-centre/corporate-governance/">https://dug.com/investor-centre/corporate-governance/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: at <a href="https://dug.com/investor-centre/investor-alerts-sign-up/">https://dug.com/investor-centre/investor-alerts-sign-up/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at <a href="https://dug.com/investor-centre/corporate-governance/">https://dug.com/investor-centre/corporate-governance/</a></p> <p>... and the information referred to in paragraphs (4) and (5): in our Annual Report at <a href="https://dug.com/investor-centre/asx-financial-reports/">https://dug.com/investor-centre/asx-financial-reports/</a></p>	<p><input type="checkbox"/> an explanation why that is so 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</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement noting that during the reporting period the Company had not yet adopted the current Corporate Governance Statement.</p>	

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs: <input type="checkbox"/> in our Corporate Governance Statement	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: <input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks; and how we manage or intend to manage those risks in our Annual Report at <a href="https://dug.com/investor-centre/asx-financial-reports/">https://dug.com/investor-centre/asx-financial-reports/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="https://dug.com/investor-centre/corporate-governance/">https://dug.com/investor-centre/corporate-governance/</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Annual Report at <a href="https://dug.com/investor-centre/asx-financial-reports/">https://dug.com/investor-centre/asx-financial-reports/</a></p>	<p><input type="checkbox"/> an explanation why that is so 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>... separately our remuneration 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"/> in our Corporate Governance Statement and also note the Remuneration Report contained in the Annual Report at <a href="https://dug.com/investor-centre/asx-financial-reports/">https://dug.com/investor-centre/asx-financial-reports/</a></p>	<p><input type="checkbox"/> an explanation why that is so 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>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> and we have disclosed the granting of equity-based remuneration under the LTI scheme in our Remuneration Report which is part of the FY20 Annual Report at <a href="https://dug.com/investor-centre/asx-financial-reports/">https://dug.com/investor-centre/asx-financial-reports/</a> and we have disclosed our policy on this issue in the Remuneration and Nomination Committee Charter and Securities Trading Policy at <a href="https://dug.com/investor-centre/corporate-governance/">https://dug.com/investor-centre/corporate-governance/</a></p>	<p><input type="checkbox"/> an explanation why that is so 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	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	N/A	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
-	<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>	N/A	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement



## CORPORATE GOVERNANCE STATEMENT

The Board of DUG Technology Ltd ACN 169 944 334 (**DUG** or the **Company**) is committed to maximising performance, generating appropriate levels of shareholder value and financial returns, and sustaining the growth and success of DUG. With these objectives in mind, the Board is concerned to ensure that DUG is properly managed to protect and enhance shareholder interests and that DUG, its directors, officers and employees, operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing DUG including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for DUG's business and which are designed to promote the responsible management and conduct of DUG.

The ASX Corporate Governance Council has developed and released corporate governance recommendations for Australian listed entities (**ASX Recommendations**) in order to promote investor confidence and to assist companies to meet stakeholder expectations. The recommendations are not prescriptions, but guidelines. Under the ASX Listing Rules, DUG will be required to provide a statement in its annual report disclosing the extent to which it has followed the ASX Recommendations in the relevant reporting period. Where DUG does not follow a recommendation, it must identify the recommendation that has not been followed and give reasons for not doing so.

The ASX Corporate Governance Council recently released its 4th edition of the ASX Recommendations for Australian entities, which applies to DUG as an ASX listed entity. To promote good corporate governance and a strong understanding of these principles, DUG has prepared its corporate governance policies so as to be practically fully compliant with the 4th edition of the ASX Recommendations.

The main policies and practices adopted by DUG, which will apply to as an ASX listed entity are summarised below. In addition, many governance elements are contained in the Company's constitution.

Except as set out below, DUG does not anticipate that it will depart from the recommendations of the ASX Recommendations, however, it may do so in the future if it considers that such a departure would be reasonable or appropriate.

Copies of DUG's key policies and practices and the charters for the Board and each of its committees are available at [www.dug.com](http://www.dug.com).

Recommendations (4th edition)	Comply	Explanation
Principle 1 - Lay solid foundations for management and oversight		
1.1	Yes	DUG has a Board Charter setting out the respective roles and responsibilities of its Board and management and matters to be reserved to the Board and delegated to management.
1.2	Yes	Appropriate checks including criminal record checks have been carried out on all Board members, CEO and CFO prior to their appointment. DUG will provide Shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director at future general meetings.
1.3	Yes	All Directors and Leadership Team have a written agreement with DUG setting out the terms of their appointment.
1.4	Yes	DUG's Company Secretary is accountable directly to the Board, through the Chairman on all matters to do with the proper functioning of the Board.

Recommendations (4th edition)	Comply	Explanation
1.5	Yes	<p>The Board has adopted a Diversity Policy (a copy of which is on DUG's website). The Diversity Policy requires the Board to set measurable objectives for obtaining gender diversity in the composition of its board, senior executives and workforce generally.</p> <p>DUG has a female CFO and Executive Director and is committed to establishing measurable objectives for achieving gender diversity, promoting diversity among the Board, Leadership Team and other employees and keeping Shareholders informed of its progress towards implementing and achieving its diversity objectives.</p>
1.6	Yes	<p>At least once per year the Board will, with the advice and assistance of the Nomination and Remuneration Committee, review and evaluate the performance of the Board, each Board Committee and each Director against the relevant charters, corporate governance policies, and agreed goals and objectives.</p>
1.7	Yes	<p>Performance reviews for Executive Directors and Senior Management will take place at least annually. The Nomination and Remuneration Committee has accountability in its Charter to oversee these reviews and report to the Board on their outcomes. DUG intends to ensure the appropriate disclosures in the remuneration report are made in relation to each reporting period as to the performance evaluations that were undertaken and the process that was followed.</p>
<b>Principle 2 - Structure of the Board to be effective and add value</b>		
2.1	Yes	<p>The Board has formed a Nomination and Remuneration Committee. The Charter for this Committee is available on DUG's website. Membership of the Nomination and Remuneration Committee is the Independent Chairman, Mr. Martin, two Non-Executive Directors, Mr. Malone and Mr. Sciarriano, and with the Managing Director, Dr Lamont, as a standing observer.</p>
2.2	Yes	<p>In establishing the Board, regard was had to the skills and expertise required of the Directors relevant to the DUG's business and proposed application for Official Quotation. Directors with the desired skills and expertise were carefully selected for appointment to the Board.</p>
2.3 and 2.4	No	<p>The Board Charter sets out the criteria adopted by the Board for considering if a Director is independent. The Board is comprised of eight members, three of whom are independent. DUG has considered the recommendation of having a majority of the Board as Independent Directors. However, the Board considers DUG's immediate requirements as it transitions to an ASX-listed company and is satisfied that the composition of the Board reflects an appropriate range of independence and skill and experience in the period following Completion on the ASX. Together, the Directors have a broad range of experience, expertise, skills, qualifications and contacts relevant to the business of DUG.</p>
2.5	Yes	<p>The Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not hold the role of CEO (or equivalent). The Chairperson of DUG is an independent Director and is not the Managing Director.</p>
2.6	Yes	<p>In accordance with DUG's Board Charter, the Nomination and Remuneration Committee is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. The Company Secretary is responsible for facilitating inductions and professional development in laws, regulations and accounting standards relevant to DUG.</p>

Recommendations (4th edition)	Comply	Explanation
<b>Principle 3 - Instil a culture of acting lawfully, ethically and responsibility</b>		
3.1	Yes	DUG'S core values are: Integrity, boldness, innovation, respect, and being a fun and challenging place to work. These values underpin DUG's business and corporate governance. DUG will also ensure its values are disclosed on its website and in annual reports to Shareholders.
3.2	Yes	The Board has adopted a Code of Conduct applicable to all Directors, senior executives and employees, a copy of which is disclosed on DUG's website. Any material breaches of the Code of Conduct are reported to the Board or a committee of the Board.
3.3	Yes	DUG has adopted a Whistleblower Policy which is available on DUG's website. Any material breaches of the Whistleblower Policy are to be reported to the Board or a committee of the Board.
3.4	Yes	DUG has adopted an Anti-Bribery and Corruption Policy which is available on DUG's website. Any material breaches of the Anti-Bribery and Corruption Policy are to be reported to the Board or a committee of the Board.
<b>Principle 4 - Safeguard the integrity of corporate reports</b>		
4.1	Yes	The Board has established an Audit and Risk Management Committee. This Committee is comprised of only Non-Executive Directors, being Independent Chair of the Committee, Mr. Puzey, Mr. Sciarrone and Mr. Malone, with DUG Chairperson, Hon. Mr. Martin, and Executive Director, Ms. Bower as standing observers.  A copy of the audit and risk committee's charter is on DUG's website.
4.2	Yes	Ms Bower, the CFO and Executive Director, has been heavily involved in the preparation and maintenance of DUG's financial statements.
4.3	Yes	DUG will 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.
<b>Principle 5 - Make timely and balanced disclosure</b>		
5.1	Yes	The Board has established a written Continuous Disclosure Policy to ensure compliance with ASX Listing Rule 3.1 disclosure requirements and to ensure accountability for compliance. Each Board meeting considers whether any continuous disclosure issues arose during the course of the meeting. The Continuous Disclosure Policy is on DUG's website.
5.2	Yes	DUG will ensure that its Board receives copies of all the material market announcements promptly after they have been made.
5.3	Yes	It is the intention of DUG that in the event that DUG gives a new and substantive investor or analyst presentation, DUG will release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.
<b>Principle 6 - Respect the rights of Shareholders</b>		
6.1	Yes	DUG has established a website which provides information on DUG's business, Directors and executives (including photographs and bios), and other information relevant to its investors. The website also has a separate corporate governance area, which provides details of all DUG's corporate governance policies, its constitution and summary of values. The website also acts as a key communication tool between DUG and its Shareholders, enabling Shareholders to access DUG's ASX announcements.

Recommendations (4th edition)	Comply	Explanation
6.2	Yes	<p>The Board recognises the importance of having an investor relations program which facilitates two-way communication and as such intends to have transparent and open engagement with both retail and institutional investors and other relevant stakeholders. This will include engaging with Shareholders at Annual General Meeting's and meeting with Shareholders or other stakeholders on request.</p> <p>DUG is also considering implementing a formal investor relations program.</p>
6.3	Yes	<p>The Board has adopted a Communications Policy and will provide Shareholders with opportunities to have questions addressed at Shareholder meetings, irrespective of whether the Shareholder is able to attend. A copy of the Communications Policy is on DUG's website.</p>
6.4	Yes	<p>DUG will ensure that all substantive resolutions (as opposed to procedural resolutions) at Shareholder meetings are decided by a poll rather than a show of hands.</p>
6.5	Yes	<p>All Shareholders will be able to communicate with DUG and its Share Registry electronically, which is an encouraged method of communication.</p>
<b>Principle 7 - Recognise and manage risk</b>		
7.1	Yes	<p>The Board has established a combined Audit and Risk Committee to oversee risk management, including monitoring DUG's performance against its risk management framework and managing internal audits and based on audits or investigations making recommendations to the Board. A copy of the Audit and Risk Management Committee's charter is on DUG's website.</p>
7.2	Yes	<p>The Board has a risk management framework and has appointed the Audit and Risk Committee to assist it with discharging its oversight function in respect of its material business risks and to determine if the system of risk management is sound and that DUG is operating with due regard to the risk appetite set out by the Board. Outcomes of those reviews will be reported in future corporate governance statement annually.</p>
7.3	Yes	<p>The Audit and Risk Committee Charter provides for the Audit and Risk Committee to monitor and periodically review the need for an internal audit function, as well as assessing the performance and objectivity of any internal audit procedures that may be in place.</p>
7.4	Yes	<p>The Board expects a report on the risk management framework in the first financial year after its listing on the ASX and has requested that management address economic, conduct risk, digital disruption, cyber-security, privacy and data breaches and environmental and sustainability risks. The outcome of that review will be reported in future annual reports.</p>
<b>Principle 8 - Remunerate fairly and responsibly</b>		
8.1	Yes	<p>The Board has formed a combined Nomination and Remuneration Committee. A copy of the charter for the Nomination and Remuneration Committee is available on DUG's website.</p>
8.2	Yes	<p>The Board has adopted a Remuneration Policy for Executive and Non-Executive Directors which is contained on its website and amongst other things describes the roles of Executive and Non-Executive directors and other senior executives and considerations for deciding remuneration of Directors, including the granting of equity incentives.</p>