Appendix 4G

Key to Disclosures
Corporate Governance Council Principles and Recommendations

Name of entity

Locality Planning Energy Holdings Limited

ABN/ARBN

90 147 867 301

Financial year ended:

30 June 2022

Our corporate governance statement[1] for the period above can be found at:[2]

☐ These pages of our annual report:

☒ This URL on our website: https://investors.joinlpe.com.au/corporate-governance/

The Corporate Governance Statement is accurate and up to date as at 31 August 2022 and has been approved by the board.

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

Date: 31 August 2022

Name of authorised officer authorising lodgement: Elissa Hansen

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

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

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

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

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

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

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

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

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	☒ and we have disclosed a copy of our board charter at: https://investors.joinlpe.com.au/corporate-governance/	
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.	☒	
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	☒	
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.	☒	

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

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

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

Corporate Governance Council recommendation		**Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:**	**Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]**
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) in our Corporate Governance Statement and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement.	

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.		☒ set out in our Corporate Governance Statement.
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	☒ and we have disclosed our board skills matrix in our Corporate Governance Statement.	
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	☒ and we have disclosed the names of the directors considered by the board to be independent directors in our Corporate Governance Statement and the length of service of each director in our Corporate Governance Statement.	

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
2.4	A majority of the board of a listed entity should be independent directors.		☒ set out in our Corporate Governance Statement.
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.		☒ set out in our Corporate Governance Statement.
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	☒	
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	☒ and we have disclosed our values in our Corporate Governance Statement.	
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	☒ and we have disclosed our code of conduct at: https://investors.joinlpe.com.au/corporate-governance/	
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	☒ and we have disclosed our whistleblower policy at: https://investors.joinlpe.com.au/corporate-governance/	
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	☒ and we have disclosed our anti-bribery and corruption policy at: https://investors.joinlpe.com.au/corporate-governance/	

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

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	☒ and we have disclosed our continuous disclosure compliance policy at: https://investors.joinlpe.com.au/corporate-governance/	
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	☒	
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.	☒	
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	☒ and we have disclosed information about us and our governance on our website at: https://investors.joinlpe.com.au/	
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	☒	
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	☒ and we have disclosed how we facilitate and encourage participation at meetings of security holders 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.	☒	
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.	☒	

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.		☒ set out in our Corporate Governance Statement.
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	☒ and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period in our Corporate Governance Statement.	
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	☒ 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 in our Corporate Governance Statement.	

Corporate Governance Council recommendation		**Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:**	**Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]**
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	☒ and we have disclosed whether we have any material exposure to environmental and social risks in our Corporate Governance Statement.	

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

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.		
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.		
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.		
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	*Alternative to Recommendation 1.1 for externally managed listed entities:* 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.		
-	*Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:* An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.		

Locality Planning Energy Holdings Limited

2022 Corporate Governance Statement

1. Introduction

This Corporate Governance Statement is current as at 31 August 2022 and has been approved by the Board of the Company on that date. This Corporate Governance Statement discloses the extent to which the Company has, during the financial year ending 30 June 2022, followed the recommendations set by the ASX Corporate Governance Council in its publication "Corporate Governance Principles and Recommendations" 4th Edition (**Recommendations**).

Effective corporate governance is critical for the long-term success of Locality Planning Energy Holdings Limited (**LPE** or **Company**). The Board of the Company (**Board**) is committed to maintaining and enhancing a strong corporate governance framework for the Company and is responsible for the overall corporate governance of LPE.

The Board monitors the operational and financial position, and overall performance of LPE and oversees its business strategy, including approving its strategic goals. The Board is committed to maximising performance, generating shareholder value and financial returns, and sustaining the growth and success of the Company.

With these objectives in mind, the Board seeks to ensure that LPE is properly managed and that its directors (**Directors**), officers and employees operate in an appropriate environment of good corporate governance. Accordingly, the Board has created a framework for managing LPE, including adopting relevant internal controls, risk and compliance management frameworks, and corporate governance policies and practices which it believes are appropriate for the business and which are designed to promote the responsible management and appropriate conduct of LPE.

2. ASX Corporate Governance Principles and Recommendations

The ASX Corporate Governance Council released its fourth edition of the corporate governance recommendations for Australian listed entities to promote investor confidence and to assist companies to meet stakeholder expectations. The Recommendations are not prescriptive but provide guidance. Under the Listing Rules, LPE provides an annual corporate governance statement disclosing the extent to which it has followed the Recommendations in the relevant reporting period. Where LPE does not follow, or partially follows a Recommendation, identifies the Recommendation that has not been followed (or partially followed) and gives reasons for not following it in whole or in part It also discloses what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

The Company's current departures from the ASX Recommendations are included in Section 10 below.

The key aspects of the LPE's corporate governance practices are summarised below. These charters and policies are available on the Company's website at https://investors.joinlpe.com.au/corporate-governance/.

3. Board of Directors

The Directors bring to the Board relevant experience and skills, including industry and business knowledge, financial management and corporate governance experience. Each Director has confirmed to the Company that they anticipate being able to perform their duties as a Non-Executive Director or Executive Director, as the case may be, without constraint having regard to their other commitments. The LPE Board is comprised of our directors, two of whom are independent. Details of current directors are listed below

Mr. Justin Pettett Non-Executive Director, Co-founder, and Chairman
Appointment Date: 21 January 2020; Age: 47

Mr. Pettett has over 22 years of ASX company experience having founded and helped companies from start-up to take over/acquisition/public-listing stage. He has a proven track record in identifying and maximizing business opportunities in the energy sector having led teams to deliver successful results, working closely with key stakeholders, investors, and industry partners. He has been involved in the energy business, namely the oil and gas industry for over 22 years and currently serves as an advisor to the board of Conrad Energy Asia Ltd, a Singapore, Asian-focused natural gas company to provide pipeline natural gas to Singapore for their electricity generation needs.

He has a solid, proven track record in identifying and maximising business opportunities, particularly in the energy sector with strengths including capital raising, negotiation, investment analysis and leading teams to deliver successful results. Mr. Pettett is a co-founder of LPE and as such has operational and strategic insight into the electricity retailing industry.

Mr. Pettett a member of the Remuneration Committee and the Audit and Risk Management Committee.

Mr. Pettett is not considered an independent director.

Mr. Damien Glanville Executive Director, Co-founder, and Chief Executive Officer
Appointment Date: 11 December 2015; Age: 46

Mr. Glanville has eighteen years' experience in senior management, logistics and Executive Director roles, the last eight specifically focused in renewable energy on-site generation and solar PV industry. Mr. Glanville is a co-founder and architect of the electricity retail model that successfully enabled LPE to obtain their Australian Energy Regulator authorisation and is also listed as its Chief Executive Officer for the management components of the Australian Energy Regulators authorisation to retail electricity.

Mr. Glanville is a member of the Audit and Risk Management Committee, the Remuneration Committee, and the Nomination Committee.

Mr. Glanville is not considered an independent director.

Mr Barnaby Egerton-Warburton Non-Executive Director *B.Econ, GAICD*
Appointment Date: 13 March 2020; Age: 53

Mr. Egerton-Warburton has 25 years of trading, investment banking, international investment and market experience with positions at JP Morgan, BNP Equities and Prudential Securities. He is an

experienced investment banker and corporate advisor, having held managing director and non-executive director positions in the investment banking, technology and the resource sectors.

Mr. Egerton-Warburton has a degree in economics and is a graduate of the Australian Institute of Company Directors.

Mr. Barnaby Egerton-Warburton is Chairman of the Remuneration and Nomination Committee and a member of the Audit and Risk Committee.

Mr. Egerton-Warburton is considered an independent director

Ms. Kathryn Guides Non-Executive Director *B.Sc, A.Sc, MAICD*
Appointment Date 3 March 2022; Age: 52

Ms. Giudes was previously the Senior Director of Xbox Games Marketplace, as well as the Microsoft Store online where she managed the profit and loss and global expansion in over 200 geographies, with both having an annual revenue budget in the mid US$1 billion range. Ms. Giudes is the Managing Director of macroDATA Group, a grouping of companies, that includes a green datacentre company.

Ms. Giudes holds a Bachelor of Science (BSc) in International Marketing from Oregon State University and Associate of Science (ASc) - Computer Science and Information Systems from Shoreline Community University. Kathryn is a member of the Australian Institute of Company Directors.

Ms. Guides is the chair of the Audit and Risk Committee and a member of the Remuneration and Nomination Committee.

3.1. Independence

The Board considers an independent Director to be a Non-Executive Director who is free of any interest, position, or relationship that might influence, or reasonably be perceived to influence, his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of LPE. The Board will consider the materiality of any given relationship on a case-by-case basis and has adopted guidelines to assist in this regard. The Board reviews the independence of each Director in light of interests disclosed to the Board from time to time.

The Board Charter sets out guidelines of materiality for the purpose of determining independence of Directors in accordance with the ASX Recommendations and has adopted a definition of independence that is based on that set out in the ASX Recommendations.

The Board will consider whether there are any factors or considerations which may mean that a Director's interest, position, association or relationship might influence, or reasonably be perceived to influence, the capacity of the Director to bring an independent judgement to bear on issues before the Board and to act in the best interests of LPE and its securityholders generally.

The Board considers that Barnaby Egerton-Warburton and Kathryn Giudes are free from any interest, position, association or relationship that might influence, or reasonably be perceived to influence, the independent exercise of the Director's judgement and that they are able to fulfil the role of independent Director for the purpose of the ASX Recommendations.

Justin Pettett is currently considered by the Board not to be independent on the basis that he was a co-founder of the Company and has a significant financial interest in the Company as one of its major

shareholders. Damien Glanville is not considered to be independent as he is a co-founder, an executive director and Chief Executive Officer of the Company.

3.2. Director Appointment

The Company undertakes appropriate checks before appointing and/or putting forward any person as a candidate for election as a Director and will provides security holders with all material information in its possession relevant to the election (or re-election) of each Director.

The Company has a written agreement with each Director setting out the terms of their appointment. The Company also has a written agreement with each senior executive setting out the terms of their appointment.

3.3. Role and Responsibilities of the Board

The Board's role is to act in the best interests of the Company as a whole and is accountable to shareholders for the overall direction, management and corporate governance of the Company.

The Board Charter sets out the Board's role and responsibilities and describes those matters expressly reserved for the Board and those matters delegated to management.

The Chief Executive Officer is responsible for the day-to-day management of the Company, supported by the Company's senior executives. However, the ultimate responsibility for governance and strategy resides with the Board.

3.4. Board Skills Matrix

The Board believed that its membership should comprise directors with an appropriate mix of diversity of skills, professional experience, knowledge and expertise that all directors individually and the Board collectively to:

- Discharge their responsibilities and duties;
- Understand the Company's business and the industry and markets in which the Company operates so as to set the strategic direction of the Company to maximise shareholder value; and
- Assess the performance of management in implementing those strategic objectives.

The Board, assisted by the Remuneration and Nomination Committee, reviews the balance of skills, experience, independence, knowledge and diversity of the Board and is committed to ensuring that the directors collectively have the appropriate skills mix. In selecting new directors, the Board considers its current composition to ensure there is a range of skills and experience required to enable the Board to fulfil is responsibilities.

LPE's Board Skills Matrix is set out below:

Skill/Experience	Board
Total Number of Directors	4
Financial Acumen Experience in financial accounting and reporting, corporate finance and internal financial controls	4
Commercial Capability Broad range of commercial skills and experience including undertaking corporate transactions	4
Strategy Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's relevant policies and priorities	4
Energy Industry Knowledge and experience in the energy industry.	3
Risk Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance, and monitor risk and compliance management frameworks and systems	4
Investor Relations Understanding of investor relations and the steps required to develop long-term value for shareholders	3
Regulatory Compliance Understanding of the regulatory environment and steps required to ensure compliance with relevant laws, policies and regulations	4

In addition to the skills and experience set out above, the Board considers that each Director can:

- Act with honesty and integrity
- Focus on the material issues
- Understand the external environment and deal with pressure from external sources
- Respect alternative viewpoints
- Hold management accountable

3.5. Board Performance Evaluation

LPE is committed to transparency in determining Board membership and in assessing the performance of the Board, Board Committees and individual Directors. The Company's Chairman and Board are responsible for evaluating the performance of the Board, its committees, and individual Directors on an annual basis. It may do so with the aid of an independent advisor.

The assessment of the Directors' overall performance and its own succession plan is usually conducted at least annually on an informal basis however an informal assessment was not conducted this year due to the changes in the board and the significant changes in the business and the industry as a whole.

3.6. Professional Development

The Board regularly reviews whether the Directors have the skills, knowledge and familiarity with the entity and its operating environment required to fulfil their role on the Board and its Committees effectively and, where gaps are identified, considers what training or development could be undertaken to fulfil those gaps.

3.7. Induction

The Company provides an induction program to all new Directors.

3.8. Company Secretary

Ms. Elissa Hansen was appointed on 1 June 2021 as the Company Secretary. She is accountable directly to the Board on all matters to do with the proper function of the Board.

The role of the Company Secretary is set out in more detail in the Board Charter.

4. Board Committees

To assist the Board in discharging its duties efficiently and effectively, it has established an Audit and Risk Committee and a Nomination and Remuneration Committee. Each Committee operates within its Board approved Charter which sets out the roles, responsibilities, membership requirements and meeting procedures for each committee.

Each established committee should meet as required and no less than twice a year.

4.1. Audit and Risk Committee

The role of the Audit and Risk Management Committee is to assist the Board in fulfilling its responsibilities for corporate governance and overseeing the Company's financial reporting and external audit functions. This includes confirming the quality and reliability of the financial information prepared by the Company, working with the external auditor on behalf of the Board and reviewing non-audit services provided by the external auditor to confirm they are consistent with maintaining external audit independence.

LPE has also established a Risk and Compliance Sub-Committee which provides advice to the Audit and Risk Committee and Board, and reports on the status and management of the risks to the Company. The purpose of the Committee's risk management process is to assist the Board in relation to risk management frameworks, policies, procedures, control effectiveness and systems and ensures that risks are identified, assessed and appropriately managed. The Board reviews the Company's risk management framework at least annually. Should the Company determine it has any material exposure to economic, environmental or social sustainability risks, it will disclose how it will manage those risks.

A review of all risks was undertaken this year.

4.2. Remuneration and Nomination Committee

The Board has established a Remuneration and Nomination Committee and has adopted a Remuneration and Nomination Committee Charter.

This Committee recommends to the Board the level and composition of remuneration for Directors and senior executives and ensures that such remuneration is appropriate and not excessive. The Committee is also responsible for Board succession issues and to ensure the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to discharge its duties and responsibilities effectively. A copy of the Remuneration and Nomination Committee Charter is available on the Company's website.

Information on the remuneration of the Directors and senior executives is provided annually in the Remuneration Report found in the Company's Annual Report. The Company may grant Options to employees under the Company's Employee Incentive Scheme. Employees must comply with the Company's Security Trading Policy with respect to any securities granted to them. The Company's Security Trading Policy restricts speculative trading and entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk associated with those securities.

The Committee did not formally meet during the period. Remuneration and director nomination was instead reviewed and overseen by the full Board

5. Senior Executives

Senior executives manage the day-to-day tasks of the Company under the guidance and direction of the Chief Executive Officer. LPE recognises the importance of its senior executives to the Company's growth and performance. Accordingly, the Company undertakes regular evaluations of its senior executives to review their effectiveness and performance on an ongoing basis

The Chief Executive Officer, in conjunction with the Board, reviews the performance of senior executives regularly at their monthly Board meetings. These evaluations assess the completeness and effectiveness of each senior executive in meeting their KPIs, whether the executive has the appropriate mix of skills and experience to allow the Company to meet its corporate goals and whether the executive provides a safe, secure, productive, harmonious and inclusive environment for their employees to perform at their best.

6. Diversity

LPE is committed to diversity and inclusion in its workplace however has not adopted a formal Diversity Policy to date.

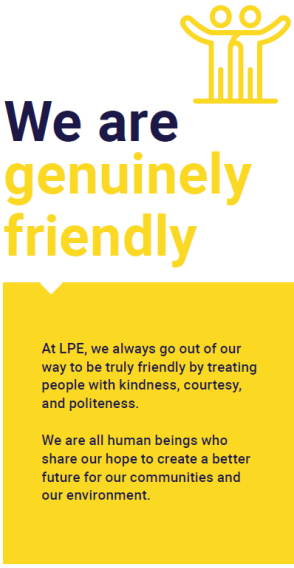
Current proportions of men and women on the board and senior executives are as follows:

	Board Members	Senior Officers	Others
Number	4	2	41
Male	75%	50%	46%
Female	25%	50%	54%
Unspecified	0%	0%	0%

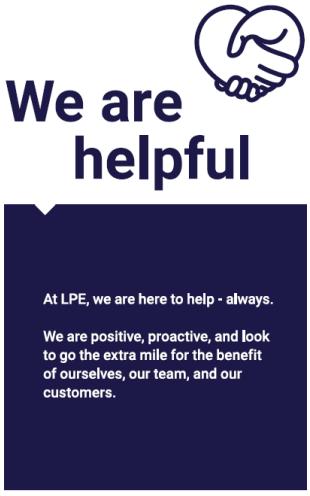
7. Values

LPE's values include:

- Friendly
- Innovative
- Helpful
- Sustainable









8. Ethical and Responsible Behaviour

LPE is committed to acting ethically and responsibly, including acting with honesty and integrity. To support this, the Company has developed various policies (ethical suite) that set out the values and expectations as to how the Company and its employees will work and behave.

8.1. Code of Conduct

LPE's Code of Conduct represents a commitment by the Board and executives to uphold the highest standards of honesty, integrity and ethical and law-abiding behaviour and to foster a culture of honesty, integrity and ethical and law-abiding behaviour among other officers and employees.

Any material breaches to the Code of Conduct must be notified to the Board. Failure to comply with the Code is viewed as a serious matter which may lead to disciplinary action including dismissal and/or legal action. A copy of the Code can be found on the Company's website.

8.2. Conflicts of Interest

LPE has adopted a Conflicts of Interest policy. A copy of this policy can be found on the Company's website.

In accordance with the requirements of the Corporations Act 2001 (*Cth*), Directors who have a material personal interest in a matter must not be present whilst the matter is being considered. The other Directors, however, may allow such Director/s to participate and vote in relation to the issue if they are satisfied that the interest should not disqualify the Director/s from voting or being present.

8.3. Whistleblower

LPE's Whistleblower Policy sets out the types of disclosures that qualify for protection under the Whistleblower Protection Scheme, information about the protections available under the Scheme and how the Company will support whistleblowers and protect them from detriment. The policy is made available to all officers, employees and contractors and can be found on the Company's website.

Any material incidents reported under the Whistleblower Policy must be reported to the Board.

8.4. Anti-bribery and Corruption

Compliance with LPE's Anti-bribery and Corruption Policy is foundational to the Company's values, reputation and standing in the wider community.

The Company prohibits bribery and corruption in all dealings in every country. LPE's Anti-bribery and Corruption Policy applies to all dealings whether they be with private organisations, individuals, domestic or foreign governments, or their representatives.

A copy of the Anti-bribery and Corruption Policy can be found on the Company's website. The Board must be notified of any material breaches to this policy.

8.5. Dealing in LPE Securities

LPE has adopted a Securities Trading Policy applicable to Directors, employees and associates which prohibits a person from trading or dealing in the Company's securities if they are privy to insider information. Further, a Director or their associates, may only deal in the Company's securities when they do not have any inside information and during a trading window.

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

8.6. Internal Audit

The Company does not have an internal audit function. Due to its size and current activities, the Board does not believe that an internal audit function is warranted. The Board evaluates and monitors internal control processes in order to continually improve the effectiveness of its risk management practices and will re-evaluate the Company's requirement for an internal audit function as the Company grows. LPE does however conduct assurance activities over its internal controls to address any risks and issues that arise. Assurance results are communicated to the Board via the Risk and Compliance Sub-Committee.

8.7. CEO and CFO Declaration

The Board receives a declaration from both the CEO and CFO, that, in their opinion, the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group, and their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively before the Board approves the Company's financial statements.

9. Market Disclosure and Shareholder Communications

LPE believes effective communication with its shareholders, potential shareholders and other market participants is of upmost importance for any listed company and is committed to promoting the highest standards of disclosure to ensure a fully informed market.

LPE has established a Shareholders Communication Policy to promote effective communication with shareholders and encourage effective participation at general meetings. Included in this is the requirement for the Company to provide information about itself and its governance to investors via its website. A copy of the Shareholder Communication Policy is available on the Company's website.

This Policy also ensures that LPE meets its continuous disclosure obligations arising from legislation and the ASX Listing Rules. The Policy also establishes the procedure to ensure the Company immediately discloses all price-sensitive information to ASX in accordance with the ASX Listing Rules and the Corporations Act 2001 (*Cth*).

LPE provides shareholders with the opportunity to elect to receive communications from the Company electronically and can send communications to the Company and the share registry electronically.

The Board approves all material announcements prior to lodgment with ASX and receives copies of all material markets promptly after they have been made.

Any new investment and/or analyst presentations are lodged and released on ASX prior to any such presentation being made to any other party.

9.1. Investor relations

LPE has an investor relations program that facilitates two-way communication with investors. The program is designed to allow investors and other financial market participants to gain greater understanding of LPE's business, governance, financial performance and prospects.

9.2. Website

Information about LPE and its governance policies and practices are available on the Company's website at https://investors.joinlpe.com.au/.

9.3. Electronic Communication

LPE gives its shareholders the option to send and receive all communications to the Company and its share registry electronically. Shareholders can sign up on the Company's website at https://investors.joinlpe.com.au/ to keep up to date with all investor news and events.

Shareholders are also encouraged to update their communication preferences and elect to receive all their Shareholder communication electronically from the Company's the share registry, Link, at https://investorcentre.linkmarketservices.com.au/Login/Login.

9.4. Annual General Meeting

The Annual General Meeting (**AGM**) is an important occasion for updating shareholders on the Company's performance. The AGM provides the opportunity for shareholders to ask questions of and hear from the Board. LPE encourages shareholder participation at its AGM as an opportunity to allow the Board to listen and respond to shareholder feedback.

The Company ensures that its external auditor attends all AGMs and is available to answer queries from shareholders relevant to the audit and any substantive resolutions are decided by a poll rather than a show of hands.

10. Compliance with Recommendations

LPE currently fully complies with 28 and partially complies with 5 of the 35 ASX Recommendations which are relevant to the Company. Given the nature and scale of the Company, the Board believes its compliance with the ASX Recommendations to be appropriate at this time.

The ASX Recommendations the Company does not comply with are:

Recommendation 1.5: LPE has not adopted a Diversity Policy, nor has it set measurable gender diversity objectives at this time. The Company strives to attract the best person for the position regardless of gender, age, ethnicity or cultural background. Given the Company's current diversity levels within the business (detailed in section 6 above), the Board is comfortable with this position however it may choose to adopt a Diversity Policy and develop measurable objectives for gender diversity across the Company in the future.

Recommendation 2.4: The Board currently consists of two independent Director and two non-independent Directors. This is consistent with the LPE's Board Charter which requires that, where practical, at least 50% of the Board will be independent however it is not consistent with Recommendation 2.4 of the Corporate Governance Recommendations which requires the majority of the Board to be independent. The Directors believe that given the size and nature of the Company's business the current Board composition to be appropriate to effectively oversee the business at this time

The ASX Recommendations the Company partially complies with are:

Recommendations 2.1 and 8.1: While the Company's Remuneration and Nomination Committee was not comprised of a majority of independent directors for the full period, it is comprised of a majority of independent directors as at the date of this statement.

Recommendation 2.5: The Chairman during the past financial year was not an independent director however he is not the same person as the CEO/Managing Director. The Board considers this appropriate at this time due to the Chairman's skills and experience and the Company's current size and the Board structure.

Recommendations 4.1 and 7.1: While the Company's Audit and Risk Committee was not comprised of a majority of independent directors for the full period, it is comprised of a majority of independent directors as at the date of this statement.