PENTANET

APPENDIX 4G and CORPORATE GOVERNANCE STATEMENT



Appendix 4G

Key to Disclosures
Corporate Governance Council Principles and Recommendations

Name of entity

PENTANET LIMITED

ABN/ARBN

29 617 506 279

Financial year ended:

30 June 2023

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://pentanet.com.au/investor-centre/ under the "Corporate Governance" tab

The Corporate Governance Statement is accurate and up to date as at *30 June 2023* and has been approved by the board on 30 August 2023.

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

Date:	30 August 2023
Name of authorised officer authorising lodgement:	Patrick Holywell (Company Secretary)

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

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

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

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

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

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

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

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

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

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

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

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

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]
	(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	and we have disclosed the information referred to in paragraph (b) and (c) in our 2023 Annual Report at: https://pentanet.com.au/investor-centre/	
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 Board Charter and Corporate Governance Plan and Performance Evaluation Policy at: https://pentanet.com.au/investor-centre/ and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our 2023 Annual Report at: https://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

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 Board Charter and Corporate Governance Plan and Performance Evaluation Policy at: https://pentanet.com.au/investor-centre/ and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our 2023 Annual Report at: https://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
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 **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable and we have disclosed a copy of the Remuneration & Nomination Committee charter at: https://pentanet.com.au/investor-centre/ and the information referred to in paragraphs (a)(4) and (5) in our 2023 Annual Report at: https://pentanet.com.au/investor-centre/

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]**
2.2	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 at: https://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
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 at: https://pentanet.com.au/investor-centre/ and the length of service of each director in our Corporate Governance Statement at: https://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	☐	☒ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	☒	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	☒	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	☒ and we have disclosed our values in our Statement of Values at: https://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	☒ and we have disclosed our Code of Conduct at: https://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	☒ and we have disclosed our Whistleblower Policy at: https://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	☒ and we have disclosed our Anti-bribery and Corruption Policy at: https://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement
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	☐	☒ set out in our Corporate Governance Statement and we have disclosed a copy of the Audit and Risk Committee Charter at: https://pentanet.com.au/investor-centre/ and the information referred to in paragraphs (4) and (5) in our 2023 Annual Report at: https://pentanet.com.au/investor-centre/

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]
	(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.		
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	☒	☐ set out in our Corporate Governance Statement
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	☒	☐ set out in our Corporate Governance Statement
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 Policy at: https://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	☒	☐ set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	☒	☐ set out in our Corporate Governance Statement

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 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://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	☒	☐ set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	☒ and we have disclosed how we facilitate and encourage participation at meetings of security holders in our Shareholder Communications Policy at: https://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	☒	☐ set out in our Corporate Governance Statement
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	☒	☐ set out in our Corporate Governance Statement
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and	☐	☒ set out in our Corporate Governance Statement and we have disclosed a copy of the Audit and Risk Committee Charter and Risk Management Policy at: https://pentanet.com.au/investor-centre/ and the information referred to in paragraphs (4) and (5) in our 2023 Annual Report at: https://pentanet.com.au/investor-centre/

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]
	(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.		
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 in our 2023 Annual Report at: https://pentanet.com.au/investor-centre/	☐ set out 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 Audit & Risk Committee Charter: https://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	☒ and we have disclosed whether we have any material exposure to environmental and social risks in our Environmental, Social and Governance Policy at: https://pentanet.com.au/investor-centre/ and, if we do, how we manage or intend to manage those risks in our Environmental, Social and Governance Policy at: https://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			

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]
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 **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable and we have disclosed a copy of the Remuneration & Nomination Committee charter of the committee at: https://pentanet.com.au/investor-centre/ and the information referred to in paragraphs (4) and (5) in our 2023 Annual Report at: https://pentanet.com.au/investor-centre/
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 2023 Annual Report at: https://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	☒ and we have disclosed our Security Trading Policy on this issue or a summary of it at: https://pentanet.com.au/investor-centre/	☐ set out in our Corporate Governance Statement **OR** ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
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	☐	☐ set out in our Corporate Governance Statement **OR**

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]
	documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	and we have disclosed information about the processes in place at: …… [*insert location*]	☒ we do not have a director in this position and this recommendation is therefore not applicable **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	☐	☐ set out in our Corporate Governance Statement **OR** ☒ we are established in Australia and this recommendation is therefore not applicable **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	☐	☐ set out in our Corporate Governance Statement **OR** ☒ we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable ☐ we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable

PENTANET

Corporate Governance Statement

Version 4.0
Approved by the board on 30 August 2023

Corporate Governance Statement

Pentanet Limited (ACN 617 506 279) (**Company**) and the Board of Directors of the Company (**Board**) are committed to achieving and maintaining high standards of performance and corporate governance.

The Company supports the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Recommendations**).

The Company's practices are largely consistent with the Recommendations. The Board considers that the implementation of a small number of Recommendations is not appropriate, for the reasons set out below in relation to the items concerned. The Board uses its best endeavours to ensure that exceptions to the Recommendations do not have a negative impact on the Company and the best interests of shareholders as a whole.

The directors of the Company (**Directors**), being either Non-Executive Directors or Executive Directors, are responsible to the shareholders for the performance of the Company in both the short and the longer term and seek to balance sometimes competing objectives in the best interests of the Company as a whole. Their focus is to enhance the interests of shareholders and other key stakeholders and to ensure the Company is properly managed.

As required by the ASX Listing Rules, the Company's main corporate governance policies and practices are summarised below, having regard to the Recommendations. Details of the Company's Board Charter and Corporate Governance Plan and related documents are available online at www.pentanet.com.au/investor-centre under the "Corporate Governance" tab.

This corporate governance statement for the 30 June 2023 financial year (**Current Year**) is also current and was approved by the Board on 30 August 2023.

1. Principle 1: Lay solid foundations for management and oversight

1.1 Board of Directors and Senior Management – Roles and Responsibilities

Recommendation 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.

The Board has adopted a formal charter that details the functions and responsibilities of the Board and management (**Board Charter and Corporate Governance Plan**).

As provided for in Part A of the Board Charter and Corporate Governance Plan, the Board is responsible for all matters relating to the running of the Company, and more specifically, all matters relating to the policies, practices, management and operations of the Company. In addition to decisions requiring approval pursuant to the respective Committee Charters, the following decisions must be approved by the Board:

(a) Directors acquiring or selling shares of the Company;

(b) issuing shares of the Company;

(c) acquiring, selling or otherwise disposing of property in excess of the amount set out in the Company's approval matrix;

(d) founding, acquiring or selling subsidiaries of or any company within the Company, participating in other companies, or dissolving or selling the Company's participation in other companies (including project joint ventures);

(e) acquiring or selling patent rights, rights in registered trademarks, licences or other intellectual property rights of the Company;

(f) founding, dissolving or relocating branch offices or other offices, plants and facilities;

(g) starting new business activities, terminating existing business activities or initiating major changes to the field of the Company's business activities;

(h) approving and/or altering the annual business plan (including financial planning) for the Company or any part of the Company;

(i) taking or granting loans which exceed the amount set out in the Company's approval matrix;

(j) granting securities of any type;

(k) granting loans to Company officers or employees and taking over guarantees for the Company's officers and employees;

(l) entering into agreements for recurring, voluntary or additional social benefits, superannuation agreements or agreements for general wage and salary increases;

(m) determining the total amount of bonuses and gratuities for Company officers and employees;

(n) determining the appointment, termination, prolongation of employment or amendment to conditions of employment of members of the Board; and

(o) granting or revoking a power of attorney or limited authority to sign and/or act on behalf of the Company.

The detail of some board functions will be handled through Board Committees as and when the size and scale of operations requires such Committees. However, the Board as a whole is responsible for determining the extent of the powers residing in each Committee and is ultimately responsible for accepting, modifying or rejecting Committee recommendations.

The Managing Director (as a delegate of the Board) is responsible for the effective leadership and day-to-day operations and administration of the Company.

The responsibilities of the Board as a whole, the Chair, individual Directors and the functions delegated to Senior Management are set out in more detail in Part A of the Company's Board Charter and Corporate Governance Plan, which is available on the Corporate Governance page of the Company's website www.pentanet.com.au/investor-centre.

1.2 Board nominations

Recommendation 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.

The Board will consider nominations for appointment or election of Directors that may arise from time to time, having regard to the skills and experience required by the Company and procedures outlined in the Company's constitution and the *Corporations Act 2001* (Cth) (**Corporations Act**).

The Company undertakes appropriate checks before appointing a person, or putting forward to shareholders a candidate for election, as a Director. Candidates are assessed through interviews, meetings and background and reference checks (which may be conducted both by external consultants and by Directors) as appropriate.

The Company gives shareholders all material information in its possession relevant to the decision whether or not to elect or re-elect a Director, either in the notice of meeting and explanatory statement for the relevant meeting of shareholders which addresses the election or re-election of the Director, or by including in the notice a clear reference to the location on the Company's website, Annual Report or other document lodged with ASX where the information can be found.

1.3 Directors and Senior Executives - Terms of appointment

Recommendation 1.3

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

Under Part A clause 2.4 of the Board Charter and Corporate Governance Plan, the Company must have a written agreement with each Director and senior executive setting out the terms of their appointment.

Each Non-Executive Director receives a letter formalising their appointment and outlining the material terms of their appointment. The Non-Executive Directors of the Company have not been appointed for a fixed term. Each Non-Executive Director has signed a letter of appointment.

The Executive Director/Managing Director has signed an executive service agreement setting out their duties, obligations and remuneration.

1.4 Company Secretary

Recommendation 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.

As set out in Part A clause 5 of the Board Charter and Corporate Governance Plan, the Company Secretary is accountable to the Board, through the Chair, on all governance matters and reports directly to the Chair as the representative of the Board. The Company Secretary has primary responsibility for ensuring that the Board processes and procedures run efficiently and effectively. The Company Secretary is Patrick Holywell (appointed on 20 November 2019), whose qualifications and experience are stated in the Company's Current Year Annual Report.

1.5 Diversity

Recommendation 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

(i) disclose in relation to each reporting period:

(ii) the measurable objectives set for that period to achieve gender diversity;

(iii) the entity's progress towards achieving those objectives; and

(iv) 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 the Act.

The Company's workforce is made up of individuals with diverse skills, backgrounds, perspectives and experiences, and this diversity is recognised, valued and respected. To enumerate its commitment to diversity in its workforce, including but not limited to gender diversity, the Company has established a Diversity Policy, a copy of which is available on the "Corporate Governance" page of the Company's website, www.pentanet.com.au/investor-centre.

The overriding objective of the Diversity Policy is to align the Company's business operations with the positive outcomes that can be achieved through a diverse workforce that recognises and utilises the contribution of its diverse skills and talent. The Diversity Policy also seeks to ensure that the Company has a properly functioning workplace where discrimination, harassment and victimisation are not tolerated.

The Board is tasked with responsibility for the Diversity Policy, including the responsibility to regularly review and monitor the effectiveness of the policy.

Due to the current size and composition of the organisation, the Board does not consider it appropriate to provide measurable objectives in relation to gender diversity. The Company is committed to ensuring that the appropriate mix of skills, expertise, and diversity are considered when employing staff at all levels of the organisation and when making new senior executive and Board appointments and is satisfied that the composition of employees, senior executives and members of the Board is appropriate.

For the Current Year, the Company has nil female board members and two female senior executives (Chief Financial Officer and Chief Marketing Officer). Across the whole Company, there are 69 staff (which includes directors and executive management) and that number includes 12 females.

1.6 Board performance review and evaluation

Recommendation 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.

The Company's Board Charter and Corporate Governance Plan and the Performance Evaluation Policy detail the process for evaluating the Board, its committees, and individual Directors, which includes an annual review of the ongoing development and improvement of the Board's (and individual Director) performance by the Board or if established, the Remuneration and Nomination Committee (**REM Committee**). The Performance Evaluation Policy is available on the Corporate Governance page of the Company's website, www.pentanet.com.au/investor-centre.

Performance evaluations with respect to the Board and the individual Directors will be undertaken in accordance with the Performance Evaluation Policy and in consultation with external remuneration consultants.

The Board sets a number of expectations for its committees after considering the results of previous reviews, an assessment of the Company's current and future needs, and a review of each committee's charter or purpose. As a result of a review, the Board may amend or revoke a committee's charter.

The Board will review the performance of the committees, and itself, against expectations. Based upon the review, individuals and groups will be provided with feedback on their performance. The results of the review will be a key input into the expectations set by the Board.

During the Current Year, a review of the Board and Committee was undertaken internally.

1.7 Senior executive performance review and evaluation

Recommendation 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.

All senior executives are subject to an annual performance evaluation which is assisted by external remuneration consultants. Each year, senior executives (including the Managing Director) will establish a set of performance targets. These targets are aligned to overall business goals and the Company's requirements of the position. In the case of the Managing Director, these targets are negotiated between the Managing Director and the Board and approved by the whole Board.

An informal assessment of progress is carried out throughout the year. A full evaluation of an executive's performance against the agreed targets takes place annually. This will normally occur in conjunction with goal setting for the coming year. As the Company is committed to continuous improvement and the development of its people, the results of the evaluation form the basis of the executive's development plan. Performance pay components of executives' packages are also dependent on the outcome of the evaluation.

The Board completed a number of formal and informal reviews of the senior executives during the Current Year in consultation with external remuneration consultants.

2. Principle 2: Structure the Board to be effective and add value

2.1 Nomination committee

Recommendation 2.1

The board of a listed entity should:

(a) have a nomination committee which:

(i) has at least three members, a majority of whom are independent directors; and

(ii) is chaired by an independent director,

and disclose:

(i) the charter of the committee;

(ii) the members of the committee;

(iii) 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 process it employees to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

The Board has established a Remuneration and Nomination committee comprised of David Buckingham (Chair), Dalton Gooding and Sian Whyte (resigned 24 April 2023).

The duties of the nomination committee are set out in the Company's Remuneration and Nomination Committee Charter. When the remuneration and nomination committee it carries out those functions which are delegated to it in the Company's Remuneration and Nomination Committee Charter.

The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition, functions and responsibilities of a Nomination Committee.

The Board as a whole reviews the size, structure and composition of the Board including competencies and diversity, in addition to reviewing Board succession plans and continuing development.

2.2 Skills, knowledge and experience

Recommendation 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.

The Company's objective is to have an appropriate mix of expertise and experience on its Board so that it can effectively discharge its corporate governance and oversight responsibilities. It is the Board's view that the current directors possess an appropriate mix of relevant skills, experience, expertise and diversity to enable the Board to discharge its responsibilities and deliver the Company's strategic objectives. This mix is subject to review on a regular basis as part of the Board's performance review process.

For the Current Year, the following key skills are considered necessary and available across the current Board composition:

- Board experience;
- Capital markets;
- Entrepreneurship and business management;
- Telecommunications industry expertise;
- Accounting and financial literacy;
- Risk management and oversight;
- Marketing expertise;
- Strategy and leadership;
- Management and commercial experience;
- Corporate governance expertise;
- Legal experience;
- Mergers and acquisitions experience.

A profile of each Director setting out their skills, experience and period of office is set out in the Company's Reporting Period Annual Report.

2.3 Independence and length of service

Recommendation 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 or relationship of the type described in Box 2.3 (Factors relevant to assessing the independence of a director) 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.

The Board consists of:

Name	Role	Independent?	Date appointed	Service (Years)
David Buckingham	Non-Executive Chairman	Yes	10 September 2020	2.8
Stephen Cornish	Managing Director	No	20 February 2017	6.4
Timothy Cornish	Executive Director	No	20 February 2017	6.4
Dalton Gooding	Non-Executive Director	Yes	26 November 2018	4.6

David Buckingham and Dalton Gooding are considered to be independent directors. Sian Whyte was a director during the Current Year and was also considered to be an independent director.

Stephen Cornish is not considered independent on the basis that he holds the role of Managing Director and because he is a substantial shareholder of the Company.

Timothy Cornish is not considered independent on the basis that he is an Executive Director and because he is a substantial shareholder of the Company.

Despite this, the Board believes that Stephen Cornish and Timothy Cornish are able, and do make, quality and independent judgments in the best interests of the Company on all relevant issues before the Board.

The Board assesses the independence of Directors on an ongoing basis.

A copy of the definition of independence adopted by the Company is annexed to the Company's Corporate Governance Plan at Annexure A, available on the Company's "Corporate Governance" page of the Company's website at www.pentanet.com.au/investor-centre.

2.4 Majority of independent Directors

Recommendation 2.4

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

Currently, the Board consists of four Directors, of which two are non-executive independent directors

2.5 Independent Chair

Recommendation 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 Chair of the Company, David Buckingham, is an independent Director. Mr Buckingham is not the CEO or Managing Director of the Company.

A copy of the definition of independence adopted by the Company is annexed to the Company's Board Charter and Corporate Governance Plan at Annexure A, available on the Company's Corporate Governance page of the Company's website at www.pentanet.com.au/investor-centre.

2.6 Induction and professional development

Recommendation 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.

As referred to in Part D of the Board Charter and Corporate Governance Plan, new directors go through an induction process which includes meeting with key executives, tours of the premises, an induction package and presentations. The Company also encourages all Directors and the Managing Director/CEO to commit to at least 2 days of professional development each year and allocates an annual budget to training and development programs. Directors are also, at the expense of the Company, able to obtain independent professional advice to ensure they can fulfill their roles and to develop and maintain their skills and knowledge.

3. Principle 3: Instil a culture of acting lawfully, ethically, and responsibly

3.1 Statement of values

Recommendation 3.1

A listed entity should articulate and disclose its values.

The Board has approved a statement of values and charges the Directors with the responsibility of inculcating those values across the Company.

A copy of the Company's statement of values is available on the Corporate Governance page of the Company's website, www.pentanet.com.au/investor-centre.

3.2 Code of conduct

Recommendation 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.

The Company seeks to encourage and develop a culture which will maintain and enhance its reputation as a valued corporate citizen of the countries where it operates and an employer which personnel enjoy working for.

The Company has established a Code of Conduct that sets out the principles covering appropriate conduct in a variety of contexts and outlines the minimum standards of behaviour expected from its Directors and employees. The Code of Conduct sets out policies in relation to various corporate and personal behaviour including safety, discrimination, respecting the law, anti-corruption, interpersonal conduct and conflict of interest.

While the Code of Conduct seeks to prescribe standards of behaviour for all Company personnel to observe, it does not, and understandably cannot, identify every ethical issue that an individual might face. The Code of Conduct's objective is to provide a framework for decisions and actions in relation to ethical conduct in employment, to safeguard the Company's reputation and to make clear the consequences of breaching the Code of Conduct.

A copy of the Company's Code of Conduct is available on the Corporate Governance page of the Company's website, www.pentanet.com.au/investor-centre.

3.3 Whistleblower policy

Recommendation 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.

The Board has adopted a whistleblower protection policy to ensure concerns regarding unacceptable conduct including breaches of the Company's code of conduct can be raised on a confidential basis, without fear of reprisal, dismissal or discriminatory treatment. The purpose of this policy is to promote responsible whistle blowing about issues where the interests of others, including the public, or of the organisation itself are at risk.

A copy of the Company's whistleblower policy is available on the Corporate Governance page of the Company's website, www.pentanet.com.au/investor-centre.

3.4 Anti-bribery and corruption policy

Recommendation 3.4

A listed entity should:

(a) have and disclose an anti-bribery and corruption policy; and

(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.

The Board has a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings. The Board has adopted an anti-bribery and anti-corruption policy for the purpose of setting out the responsibilities in observing and upholding the Company's position on bribery and corruption provide information and guidance to those working for the Company on how to recognise and deal with bribery and corruption issues.

A copy of the Company's anti-bribery and corruption policy is available on the Corporate Governance page of the Company's website, www.pentanet.com.au/investor-centre.

4. Principle 4: Safeguard the integrity of corporate reports

4.1 Audit committee

Recommendation 4.1

The board of a listed entity should:

(a) have an audit committee which:

(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and

(ii) is chaired by an independent director, who is not the chair of the board,

and disclose:

(i) the charter of the committee;

(ii) the relevant qualifications and experience of the members of the committee; and

(iii) 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.

The Company has established an Audit and Risk Committee comprised of Dalton Gooding (Chair), David Buckingham and Sian Whyte (resigned 24 April 2023).

The responsibilities assumed by an audit committee, include but are not limited to:

(a) verifying and safeguarding the integrity of the Company's stakeholder reporting;

(b) reviewing and approving the audited annual and reviewed half-yearly financial reports;

(c) reviewing the appointment of the external auditor, their independence and performance, the audit fee, any questions of their resignation or dismissal and assessing the scope and adequacy of the external audit; and

(d) a risk management function (refer Section 7.1 for further details).

That is, matters typically dealt with by an audit committee are dealt with by the full Board.

Information on the Company's procedures for the selection and appointment of the external auditor and the rotation of external audit partners is set out in the Policy on Selection, Appointment and Rotation of External Auditors, which is available on the Company's website, www.pentanet.com.au/investor-centre.

4.2 CEO and CFO declarations

Recommendation 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.

Under the Company's Risk Management Policy, which is available on the "Corporate Governance" page of the Company's website, the Board receives, prior to their approval of the Company's financial statements for a financial year, written assurances from the Managing Director (being the CEO equivalent) and the CFO that, in their respective opinions, the financial records of the company 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 Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively, as required under section 295A of the Corporations Act and as per the Recommendations.

Written assurances for the most recent year ended June 30 have been obtained from Managing Director and CFO.

4.3 Periodic corporate reports

Recommendation 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.

When preparing reports for release to the market including the quarterly activity and cash flow reports these reports shall be prepared and reviewed by the Managing Director before being presented to the Board for review and approval. Such reports shall not be released to market without this review and approval process by executive management and the Board.

5. Principle 5: Make timely and balanced disclosure

5.1 Continuous disclosure to ASX

Recommendation 5.1

A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under ASX Listing Rule 3.1.

The Company has established a Continuous Disclosure Policy which is designed to guide compliance with ASX Listing Rule disclosure requirements, and to ensure that all Directors, senior executives and employees of the Company understand their responsibilities under the policy. The Continuous Disclosure Policy is available on the "Corporate Governance" page of the Company's website, www.pentanet.com.au/investor-centre.

The Continuous Disclosure Policy:

(a) raises awareness of the Company's obligations under the continuous disclosure regime;

(b) establishes a process to ensure that information about the Company which may be market sensitive and which may require disclosure is brought to the attention of either the Company Secretary, Managing Director or the Chair, being the person/s primarily responsible for ensuring the Company complies with its continuous disclosure obligations, in a timely manner and is kept confidential; and

(c) sets out the obligation of Directors, officers and employees of the Company to ensure that the Company complies with its continuous disclosure obligations.

The Board has designated the Continuous Disclosure Committee (comprising the Company Secretary, Managing Director or CEO, and the Chair of the Board (or if unavailable, the Chair of the Audit and Risk Committee (if any))) as the persons primarily responsible for ensuring that the Continuous Disclosure Policy is implemented and that all relevant information is disclosed as required.

In accordance with the Company's Continuous Disclosure Policy, all information provided to ASX for release to the market is also posted to the Company's website, www.pentanet.com.au/investor-centre.

5.2 Copies of market announcements

Recommendation 5.2

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

The Board has appointed the Company Secretary as the person responsible for communicating with ASX and overseeing and coordinating the timely disclosure of information to ASX, subject to prior review and approval of all announcements by the Directors. The Company Secretary ensures that the Board is aware of when any

announcement that is due to go out and when the confirmation of release is received by the ASX, one of the Company Secretaries promptly forwards this to the Board.

The Continuous Disclosure Policy of the Company is available on the "Corporate Governance" page of the Company's website, www.pentanet.com.au/investor-centre.

5.3 Presentation materials

Recommendation 5.3

A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.

The Board has appointed the Company Secretary as the person responsible for communicating with ASX and overseeing and coordinating the timely disclosure of information to ASX, subject to prior review and approval of all announcements by the Directors. The Company Secretary ensures any substantive presentations are released to the ASX Market Announcements Platform ahead of the presentation and in accordance with the Continuous Disclosure Policy of the Company, a copy of which is available on the "Corporate Governance" page of the Company's website, www.pentanet.com.au/investor-centre.

6. Principle 6: Respect the rights of security holders

6.1 Information available on the Company's website

Recommendation 6.1

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

The Board aims to ensure that the Company's shareholders are informed of all major developments affecting the Company's state of affairs.

The Company keeps investors informed through its website www.pentanet.com.au/investor-centre, which contains information on the Company, the Board and the corporate governance policies and procedures of the Company. Through its website, investors can access copies of the Company's annual, half-yearly and quarterly reports (for at least three historical years), announcements to the ASX, notices of meeting, presentations and key media coverage.

6.2 Investor relations

Recommendation 6.2

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

The Company has a Shareholder Communications Policy which is available on the "Corporate Governance" page of the Company's website, www.pentanet.com.au/investor-centre. The Shareholder Communications Policy encourages shareholder participation and engagement with the Company. This strategy also facilitates communication directly between shareholders and the Company, with any shareholder queries coordinated through the Company Secretary.

The Company aims to ensure that shareholders are informed of all major developments affecting the Company. Shareholders can register with the Company to receive email notifications of when an announcement is made by the Company to the ASX. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.

Shareholders are encouraged to participate at all shareholder meetings of the Company. Upon the despatch of any notice of meeting material to shareholders, the Company Secretary sends out material with that notice of meeting stating that all shareholders are encouraged to participate at the meeting. The Company ensures that appropriate technology is used to facilitate the participation of shareholders at such meetings and that meetings are held at a reasonable time and place. Shareholders who are unable to attend meetings may ask questions or provide comments ahead of meetings.

The Company conducts periodic investor briefings and attends regional and industry specific conferences (where applicable) to facilitate effective two-way communication with investors and other financial market participants. The Company has also engaged independent investor relations consultants to assist the Company with investors and other interested parties' engagement. The presentation material provided at these events is posted on the Company's website, which also provides the opportunity for interested parties to join the mailing list to receive regular updates from the Company.

6.3 Shareholders' meetings

Recommendation 6.3

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

The Shareholder Communications Policy encourages shareholder participation at shareholders' meetings. Shareholders are provided with all notices of meeting prior to meetings. The Company's lead auditor is also made available for questions at the annual general meeting. Shareholders are also always given the opportunity to ask questions of the Directors and management, either during or after shareholders' meetings.

6.4 Resolutions decided by a poll

Recommendation 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.

The Company conducts a poll at meetings of security holders to decide each resolution.

6.5 Electronic communications

Recommendation 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.

Shareholders can register with the Company's share registry to receive email notifications of when an announcement is made by the Company to the ASX, including the release of annual, half-yearly and quarterly reports. Further, the Company provides information through its website, enabling security holders to email the Company and to receive Company announcements by email. The share registry also provides (through its website, links to which can be found on the Company's website) the ability to email the share registry and to receive documents by email from the share registry.

7. Principle 7: Recognise and manage risk

7.1 Risk committee

Recommendation 7.1

The board of a listed entity should:

(a) have a committee or committees to oversee risk, each of which:

(i) has at least three members, a majority of whom are independent directors; and

(ii) is chaired by an independent director,

and disclose:

(iii) the charter of the committee;

(iv) the members of the committee; and

(v) 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.

The Company has established an Audit and Risk Committee comprised of Dalton Gooding (Chair), David Buckingham and Sian Whyte (resigned 24 April 2023). The committee as a whole has responsibilities typically assumed by a risk committee, including but not limited to

a) ensuring that an appropriate risk-management framework is in place and is operating properly; and

b) reviewing and monitoring legal and policy compliance systems and issues.

7.2 Internal control

Recommendation 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.

The Company is committed to the identification, monitoring and management of risks associated with its business activities and has established policies in relation to the implementation of practical and effective control systems. The Company has

established a Risk Management Policy, which is available on the Corporate Governance page of the Company's website, www.pentanet.com.au/investor-centre.

Under the Company's Risk Management Policy, the Board reviews all major strategies and purchases for their impact on the risks facing the Company and makes appropriate recommendations. The Company also undertakes an annual review of operations to update its risk profile, which normally occurs in conjunction with the strategic planning process. This annual review occurred during the Current Year. The Board also undertakes a quarterly review of the risk areas identified in the Risk Management Policy.

7.3 Internal audit

Recommendation 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.

The Company does not have an independent internal audit function. Due to the nature and size of the Company's operations, and the Company's ability to derive substantially all of the benefits of an independent internal audit function in the manner disclosed below, the expense of an independent internal auditor is not considered to be appropriate.

The Board performs all key elements of an internal audit function, including:

(a) evaluating and seeking and obtaining reasonable assurance that risk management, control and governance systems are functioning as intended and will enable the Company's objectives and goals to be met;

(b) evaluating information security and associated risk exposures;

(c) evaluating regulatory compliance programs with consultation from internal and external legal counsel;

(d) evaluating the Company's preparedness in case of business interruption; and

(e) providing oversight of the Company's anti-fraud programs.

The Board delegates to the Managing Director, Chief Financial Officer, and the Company Secretary the authority to implement any non-strategic amendments to risk management systems required as a result of changed circumstances, or where the potential for improvement has been identified; reporting all such matters to the Managing Director promptly, for consideration at its next meeting. The Managing Director may also seek recommendations from appropriate Senior Executives where strategic changes to risk management and internal control processes are required.

7.4 Risk management

Recommendation 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.

The Company identifies and manages material exposure to environmental and social risks in a manner consistent with its Risk Management Policy, which is available on the Corporate Governance page of the Company's website, www.pentanet.com.au/investor-centre. The Company has, and continues to, undertake various organisation wide risk reviews to identify potential business risks. The effectiveness of the controls in place to address each risk is reviewed on a regular basis and, where the residual risk is considered outside of acceptable limits, further controls and risk mitigation measures are developed and implemented.

Environmental: The Company is subject to, and responsible for, ensuring compliance with various regulations, licenses, approvals and standards so that its activities do not cause unauthorised environmental harm. Through its ongoing management of environmental activities, the Company has been able to operate in an environmentally sustainable and responsible manner.

Social: The Company recognises that a failure to manage stakeholder expectations may lead to disruption to the Company's operations. The Company is proud to be involved in and supportive of community groups, organisations and charities in the region in which it operates.

8. Principle 8: Remunerate fairly and responsibly

8.1 Remuneration committee

Recommendation 8.1

The board of a listed entity should:

(a) have a remuneration committee which:

(i) has at least three members, a majority of whom are independent directors;

(ii) is chaired by an independent director,

and disclose:

(iii) the charter of the committee;

(iv) the members of the committee; and

(v) as at the end of each reporting period, the number of times the committee has 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.

The Board has established a Remuneration and Nomination committee comprised of David Buckingham (Chair), Dalton Gooding, and Sian Whyte (resigned 24 April 2023) which has responsibilities typically assumed by a remuneration committee, including but not limited to:

(a) reviewing the remuneration (including short- and long-term incentive schemes and equity-based remuneration, where applicable) and performance of Directors;

(b) setting policies for Senior Executive remuneration, setting the terms and conditions of employment for Senior Executives, undertaking reviews of Senior Executive performance, including setting goals and reviewing progress in achieving those goals; and

(c) reviewing the Company's Senior Executive and employee incentive schemes (including equity-based remuneration) (where applicable) and making recommendations to the Non-Executive Chair on any proposed changes.

8.2 Remuneration policy

Recommendation 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.

The Board Charter and Corporate Governance Plan sets out the policies and practices of the remuneration of Non- Executive Directors, Executive Directors and other senior executives.

David Buckingham, Dalton Gooding, and Sian Whyte (resigned 24 April 2023) are paid a fixed annual fee for their service to the Company as Non-Executive Directors.

All Executive Directors of the Company typically receive remuneration comprising a base salary component and other fixed benefits based on the terms of their respective employment agreements with the Company or its subsidiaries, and potentially the ability to participate in the Company's short term and long-term incentive plans.

Details of the remuneration of the Directors and other executives are set out in the Company's Current Year Annual Report.

8.3 Equity-based remuneration scheme

Recommendation 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.

The Company has an equity-based remuneration scheme and the policies and practices regarding the remuneration of Directors and senior executives, including equity-based remuneration, is disclosed in the Annual Report and Securities Trading Policy. Executives are prohibited from entering into transactions or arrangements which limit the economic risk of participating in equity-based remuneration or in unvested entitlements.

The Securities Trading Policy is available on the "Corporate Governance" page of the Company's website, www.pentanet.com.au/investor-centre.