

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity

Clean TeQ Water Limited

ABN/ARBN

647 935 948

Financial year ended:

30 June 2023

Our corporate governance statement¹ for the period above can be found at:²

- These pages of our annual report:
- This URL on our website: <https://www.cleanteqwater.com/company/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 21 September 2023 has been approved by the board.

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

Date: 21 September 2023

Name of authorised officer authorising lodgement: Anita Addorisio – 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.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: https://www.cleanteqwater.com/company/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> 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.

Key to Disclosures Corporate Governance Council Principles and Recommendations

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	<p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of our diversity and inclusion policy at: https://www.cleanteqwater.com/company/corporate-governance/</p> <p>and we have disclosed the information referred to in paragraph (c) in our Corporate Governance Statement, available at https://www.cleanteqwater.com/company/corporate-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) in our Corporate Governance Statement, available at https://www.cleanteqwater.com/company/corporate-governance/</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement, available at https://www.cleanteqwater.com/company/corporate-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) in our Corporate Governance Statement, available at https://www.cleanteqwater.com/company/corporate-governance/</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement, available at https://www.cleanteqwater.com/company/corporate-governance/</p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: https://www.cleanteqwater.com/company/corporate-governance/ and the information referred to in paragraphs (4) and (5) in the 2023 Annual Report, available at: https://www.cleanteqwater.com/investors/asx-announcements/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed our board skills matrix in our Corporate Governance Statement, available at https://www.cleanteqwater.com/company/corporate-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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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.	<input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors in our Corporate Governance Statement, available at: https://www.cleanteqwater.com/company/corporate-governance/ and, where applicable, the information referred to in paragraph (b) in our Corporate Governance Statement, available at: https://www.cleanteqwater.com/company/corporate-governance/ and the length of service of each director in the 2023 Annual Report, available at https://www.cleanteqwater.com/investors/asx-announcements/	<input type="checkbox"/> set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	<input type="checkbox"/>	<input checked="" type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	<input type="checkbox"/>	<input checked="" type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

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PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values in the Corporate Governance Statement, available at: https://www.cleanteqwater.com/company/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: https://www.cleanteqwater.com/company/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: https://www.cleanteqwater.com/company/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: https://www.cleanteqwater.com/company/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement

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PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.3	<p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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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.	<input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: https://www.cleanteqwater.com/company/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: https://www.cleanteqwater.com/	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders in our Corporate Governance Statement, available at https://www.cleanteqwater.com/company/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement

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6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<input checked="" type="checkbox"/> <i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: https://www.cleanteqwater.com/company/corporate-governance/ and the information referred to in paragraphs (4) and (5) in the 2023 Annual Report available at: https://www.cleanteqwater.com/investors/asx-announcements/	<input type="checkbox"/> set out in our Corporate Governance Statement
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<input checked="" type="checkbox"/> 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, available at: https://www.cleanteqwater.com/company/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement

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7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed how our internal audit function is structured and what role it performs at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>
7.4	<p>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.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether we have any material exposure to environmental and social risks and how we manage or intend to manage those risks in our Corporate Governance Statement, available at</p> <p>https://www.cleanteqwater.com/company/corporate-governance/</p> <p>and in our 2023 Annual Report available at</p> <p>https://www.cleanteqwater.com/investors/asx-announcements/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: https://www.cleanteqwater.com/company/corporate-governance/ and the information referred to in paragraphs (4) and (5) in our 2023 Annual Report, available at: https://www.cleanteqwater.com/investors/asx-announcements/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives in our 2023 Annual Report, available at https://www.cleanteqwater.com/investors/asx-announcements/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed our policy on this issue in our Corporate Governance and a copy of the Share Trading Policy is available at: https://www.cleanteqwater.com/company/corporate-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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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.	<input type="checkbox"/> and we have disclosed information about the processes in place at: [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	<input type="checkbox"/> and we have disclosed the information referred to in paragraphs (a) and (b) at: [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, 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
<p>- <i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p><input type="checkbox"/></p> <p>and we have disclosed the terms governing our remuneration as manager of the entity at: <i>[insert location]</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

2023 Corporate Governance Statement

The Board and management of Clean TeQ Water Limited (**Clean TeQ Water** or **Company**) recognise their duties and obligations to shareholders and other stakeholders to implement and maintain a proper system of corporate governance. Clean TeQ Water believes that good corporate governance helps ensure the future sustainability of the Company, adds value to stakeholders and enhances investor confidence.

The ASX Listing Rules require listed companies to prepare a statement disclosing the extent to which they have complied with the recommendations of the ASX Corporate Governance Council (**ASX Recommendations**) in the reporting period. The Recommendations are guidelines designed to improve the efficiency, quality, and integrity of the Company. They are not prescriptive, so that if a company considers a recommendation to be inappropriate having regard to its own circumstances, it has the flexibility not to follow it. Where a company has not followed all the Recommendations, it must identify which Recommendations have not been followed and give reasons for not following them.

This Corporate Governance Statement (**Statement**) sets out a description of the Company's main corporate practices and provides details of the Company's compliance with the Recommendations, or where appropriate, indicates a departure from the Recommendations with an explanation.

This Statement is current as at 21 September 2023 and has been approved by the Board of Directors of Clean TeQ Water Limited.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

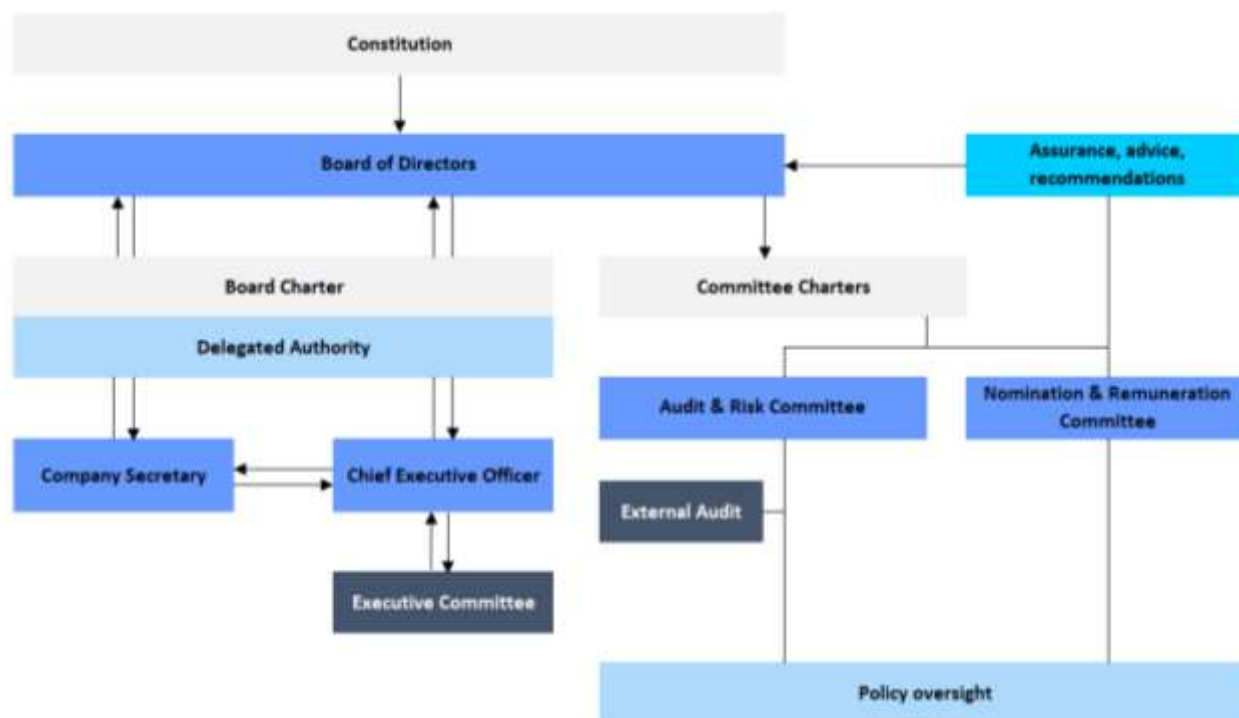
RECOMMENDATION 1.1 - ROLE OF THE BOARD AND MANAGEMENT

The role of the Board is to approve the strategic direction of the Company, guide and monitor the management of the Company and its businesses and oversee the implementation of appropriate corporate governance with respect to the Company's affairs. The Board aims to protect and enhance the interests of its shareholders, while considering the interests of other stakeholders, including employees and the wider community.

The Board has a formal Board Charter which is available on the Company's website at <https://www.cleantegwater.com/company/corporate-governance/>. The Board Charter clearly sets out those matters expressly reserved for the Board's determination and those matters delegated to management. The Board acts in the best interests of the Company as a whole and its responsibilities are also set out in the Board Charter.

The Board has delegated to the Chief Executive Officer ("CEO") the responsibility for the day-to-day management of the Company, including the overall operational and business management and profit performance of Clean TeQ Water, whilst also managing the Company in accordance with the strategy, plans and policies approved by the Board to achieve agreed goals. The scope of, and limitations to these delegations are clearly documented and balance oversight with appropriate empowerment and accountability of senior executives. The CEO has authority to sub-delegate to the executive team some of his responsibilities where he deems fit.

The high-level structure chart outlined below provides an overview of the Company's current corporate governance structure.



RECOMMENDATION 1.2 - APPOINTMENT OF DIRECTORS

The Company has guidelines for the appointment and selection of the Board which require the Board to undertake appropriate checks before appointing a person or putting forward to security holders a candidate for election as a director.

All selected candidates for Board positions undergo appropriate background checks before being appointed to the Board. Any Director appointed during the year to fill a casual vacancy or as an addition to the existing Directors must stand for election at the next Annual General Meeting (“AGM”).

A regular assessment is made of the current qualifications, skills, and experience of the directors, as well as the skills, experience and expertise needed to deal with current and emerging issues of the business and to effectively review and challenge the performance of management and exercise independent judgement.

Board support for Directors retiring and seeking re-election is not automatic and is reviewed against criteria based on the Board’s current skills and qualities and the current and future needs of the Company. The Company provides its shareholders with all material information relevant to the election or re-election a candidate, including a statement by the Board as to whether it supports the election or re-election of the candidate. This information is provided to security holders through several channels, including via the Notice of AGM.

RECOMMENDATION 1.3 - APPOINTMENT TERMS

Each Director and Senior Executive are party to a written agreement with the Company which sets out the terms of that Director’s or Senior Executive’s appointment, including the remuneration entitlement and performance requirements. Directors also receive a Deed of Indemnity, Insurance, and Access.

Details of executive contracts in place are detailed in the Company’s Remuneration Report in the 2023 Annual Report.

RECOMMENDATION 1.4 - COMPANY SECRETARY

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The Company Secretary’s role includes advising the Board and its Committees on governance matters, monitoring that Board and Committee policies and procedures are followed, coordinating the timely completion and despatch of Board and Committee papers, ensuring that the business at Board and Committee meetings is accurately captured in the minutes, and helping to organise and facilitate the induction and professional development of directors.

All Directors have unfettered access to the Company Secretary and the appointment and removal of the Company Secretary must be made or approved by the Board.

Details regarding our Company Secretary, including experience and qualifications, are set out in the Directors’ Report in our 2023 Annual Report.

RECOMMENDATION 1.5 - DIVERSITY

Clean TeQ Water recognises the benefits of diversity of gender, age, experience, relationships, and background and is proud to have a strong representation of both genders in its workforce. The Company's Diversity and Inclusion Policy is available on the Clean TeQ Water website (<https://www.cleanteqwater.com/company/corporate-governance/>).

In accordance with its Diversity and Inclusion Policy the Board has established the following diversity and inclusion objectives up to the financial year ending 30 June 2024:

Goals	Objectives	Status at 30 June 2023
Workplace Diversity	Commitment to creating a diverse and inclusive workforce, with initiatives including: 1. Obtaining and maintaining one third (33%) of a gender balance over levels 3 to 5 by end of FY24 (including gender fluidity), with metrics to exclude China subsidiaries. 2. Obtaining and maintaining a ratio of 50% of workforce who identify as having cultural and immediate family connections with a country other than Australia by end of FY24, with metrics to exclude China subsidiaries.	1. 35.14% (13 Female, 24 Male) 2. 45.94% (17 from 37 employees)
Workplace Inclusion	Fostering a culture that encourages collaboration, flexibility, and fairness to enable all employees to contribute to their potential and increase retention.	On-going
Sustainability and Accountability	Identify and breakdown systematic barriers to full inclusion by embedding diversity and inclusion in policies and equipping leaders with the ability to manage diversity and be accountable for the results.	On-going

The proportion of women on the Board, in senior executive positions and women across the entire organisation as at 30 June 2023 was as follows:

- Women on the Board – 25%
- Women in senior executive positions – 33%
- Women across the entire organisation – 35.8%

RECOMMENDATION 1.6 – BOARD, COMMITTEES, AND INDIVIDUAL DIRECTORS' PERFORMANCE ASSESSMENT

The evaluation of the performance of the Board, its Committees and individual directors has been delegated to the Nomination & Remuneration Committee in accordance with the Nomination & Remuneration Committee Charter available on the Company's website (<https://www.cleanteqwater.com/company/corporate-governance/>).

The Board's and Committees' performance review was conducted through the completion of a questionnaire. This annual assessment process was facilitated by the Company Secretary who prepared a report to the Nomination & Remuneration Committee. Based on this report, the Nomination & Remuneration Committee considers and discusses any areas and actions for improvement and recommends them to the Board (if necessary).

The Individual Directors' performance review was conducted during May 2023 by Mr Ian Knight, as Chair of the Nomination & Remuneration Committee, through one-on-one discussion with each Director. The performance of Mr Ian Knight was, in turn, reviewed by Mr Peter Voigt. Their findings were then presented to the Nomination & Remuneration Committee and the Board for further discussion and to identify any actions for improvement.

The Board and Committees are committed to their roles and each Board member is dedicated to proactively support the Company and its stakeholders.

RECOMMENDATION 1.7 - SENIOR EXECUTIVE PERFORMANCE ASSESSMENT

Senior Executives are appointed by the CEO and their key performance indicators ("KPIs") contain specific financial and non-financial objectives. These KPIs are reviewed annually by the CEO and their performance reviewed against those KPIs. Performance evaluations were undertaken during the period in accordance with the Company's internal review process.

Following the resignation of the Company's former CEO, Mr Willem Vriesendorp, on 1 May 2023, the Board did not have the opportunity to conduct the annual review of the former CEO's performance during the financial year ended 30 June 2023. The Board will undertake to review the performance of the Company's future CEO (or its interim CEO) during the next financial year.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

RECOMMENDATION 2.1 – NOMINATION COMMITTEE

The Company's Nomination & Remuneration Committee Charter provides for the establishment of a committee with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director. The Nomination & Remuneration Committee Charter is available on the Company's website (<https://www.cleanteqwater.com/company/corporate-governance/>).

The Nomination & Remuneration Committee consists of three members, of whom two are independent Non-Executive Directors, being Mr Ian Knight and Ms Robyn McLeod, and one non-independent Non-Executive Director, being Mr Sam Riggall. All directors have relevant experience as shown in their biographies in the Directors' Report.

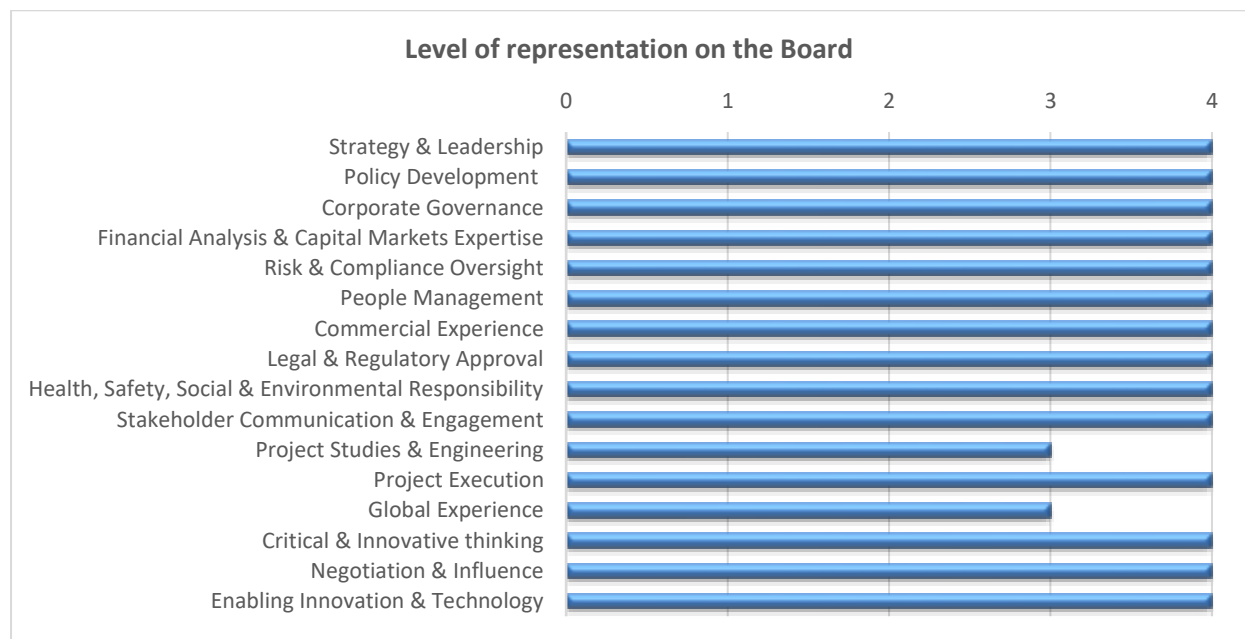
Details of meetings held by the Committee during the year and member attendances are set out in the 2023 Directors' Report.

The primary function of the Nomination & Remuneration Committee, in regard to its nomination function, is to assist the Board to carry out, *inter alia*, the following:

- making recommendations for the appointment of nominees for membership to the Board;
- making recommendations to the Board on recruitment, retention, and termination policies for senior management;
- thorough background checks prior to nominating a person for election as director;
- setting objectives for achieving gender diversity within the Company and ensuring these objectives are being met; and
- reviewing succession plans and maintaining the appropriate balance of skills on the Board.

RECOMMENDATION 2.2 – BOARD SKILLS MATRIX

The Company’s objective is to have an appropriate mix of expertise and experience at Board level so that it can effectively discharge its corporate governance and oversight responsibilities. This mix is subject to review on a regular basis as part of the Board’s performance review process. 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. The diagram below shows the level of representation of the skills mix on the Board.



RECOMMENDATION 2.3 – INDEPENDENT DIRECTORS

An independent director is a Non-Executive Director who is not a member of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of judgement.

The Board regularly assesses the independence of each Non-Executive Director in light of the information which each Director is required to disclose in relation to any material contract or other relationship with the Company in accordance with the Director’s terms of appointment, the *Corporations Act 2001 (Cth)* (“Corporations Act”), and the Board Charter.

In assessing independence, the Board had regard to the “Factors relevant to assessing the independence of a director” in Box 2.3 of the ASX Recommendations. Having individually reviewed the position and associations of each of the four Non-Executive Directors, the Board has concluded that two of them are independent. The Board’s assessment of each current Director is set out below.

Name	Position	Appointment Date	Status	Reason for Non-Independence
Peter Voigt	Executive Director	15 February 2021	Non-Independent	<i>Executive Officer</i>
Sam Riggall	Non-Exec Director	15 February 2021	Non-Independent	<i>Executive Officer until 3 May 2021</i>
Ian Knight	Non-Exec Director	28 April 2021	Independent	<i>Not applicable</i>
Robyn McLeod	Non-Exec Director	8 October 2021	Independent	<i>Not applicable</i>

Ms Robyn McLeod and Mr Ian Knight are free from any business or any other relationship that could materially interfere with, or reasonably be perceived to interfere with, the exercise of their unfettered and independent judgement and are able to fulfil their role of independent director for the purpose of the ASX Recommendations.

RECOMMENDATION 2.4 – MAJORITY INDEPENDENCE

The Board comprises of two independent directors being Mr Ian Knight and Ms Robyn McLeod. Acknowledging the current deviation from Recommendation 2.4 of the ASX Principles, the Board has carefully considered and documented the roles and responsibilities of the Board Chair, Lead Independent Non-Executive Director and nominated independent Committee Chairs to ensure strong governance. The Board recognises that it is desirable for a majority of the Board to be independent Directors but the Company’s current size dictates that this is the most efficient mode of operation at the current time.

Directors are not involved in decisions where they have, or could be perceived to have, a conflict of interest or a material personal interest. Any Director who considers that there may be a conflict of interest or a material personal interest in any matter concerning the Company must declare it immediately.

RECOMMENDATION 2.5 – INDEPENDENT CHAIR

The roles of Chair and CEO were exercised by different individuals, being Mr Peter Voigt and Mr Willem Vriesendorp, up to 30 April 2023. Following the resignation of Mr Vriesendorp as CEO of the Company on 1 May 2023, Mr Voigt was appointed as interim CEO and stepped down as Executive Chairman. Mr Ian Knight was then appointed as Board Chair. Mr Voigt is not an independent director. Mr Knight is an independent director.

The Chair provides leadership to the Board in relation to all Board matters and is responsible for ensuring that the Board meets its responsibilities under the Board Charter. His role is set out in more detail in the Board Charter, which is available on the Company's website (<https://www.cleanteqwater.com/company/corporate-governance/>).

In the instance where the Company does not have an independent Board Chair, the Board also created the role of Lead Independent Non-Executive Director. Prior to his appointment as Board Chair, Mr Knight had the position of Lead Independent Non-Executive Director. The Lead Independent Non-Executive Director seeks to ensure that the views of independent directors are effectively raised and considered by the Board. The Lead Independent Non-Executive Director provides leadership and support to the other Independent Director in relation to matters that uniquely concern them as Independent Directors. The Lead Independent Non-Executive Director also ensures that conflicts of interest on the Board (whether actual or potential) are identified and managed appropriately. The role of the Lead Independent Non-Executive Director is set out in the Board Charter, available on the Company's website (<https://www.cleanteqwater.com/company/corporate-governance/>).

RECOMMENDATION 2.6 – INDUCTION, EDUCATION AND TRAINING

New directors are provided with copies of all relevant documents and policies governing the Company's business, operations, and management, at the time of joining the Board. The Company can provide appropriate professional development opportunities for directors to assist in their roles. Directors are also encouraged to personally undertake appropriate training and refresher courses conducted by the Australian Institute of Company Directors.

PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY

RECOMMENDATION 3.1 – STATEMENT OF VALUES

The Company's values are the guiding principles and norms that define what type of organisation Clean TeQ Water aspires to be and what it requires from its Directors, employees, and related parties. The Company's core values are outlined below and will be made available on the Company's website on <https://www.cleanteqwater.com/>.

- **Innovate:** We always look for a better way and recognize the power of innovation to achieve superior outcomes
- **Own:** We take ownership and focus on what we can do ourselves to ensure a successful outcome
- **Collaborate:** Collaboration is the essence of our success, and we thrive and grow via feedback from our customers, colleagues and suppliers

The CEO and his executive team are responsible for instilling these values across the organisation.

RECOMMENDATION 3.2 – CODE OF CONDUCT

The Board recognises the need to observe the highest standards of corporate practice and business conduct. The Company has adopted a Code of Conduct designed to:

- provide a benchmark for professional behaviour throughout the Company;
- support the Company's business reputation and corporate image; and
- make Directors, officers, employees, consultants, and contractors of the Company aware of the consequences if they breach the Code of Conduct.

The Code of Conduct is available on the Company's website (<https://www.cleanteqwater.com/company/corporate-governance/>).

The key aspects of this code are to:

- act fairly with honesty and integrity in the best interests of the Company and in the reasonable expectations of shareholders;
- act in accordance with all applicable laws, regulations, and the Company policies and procedures;
- have responsibility and accountability for individuals for reporting and investigating reports of unethical practices; and
- use the Company's resources and property properly.

The Code of Conduct sets out the Company's policies on various matters including ethical conduct, business conduct, compliance, privacy, and security of information.

RECOMMENDATION 3.3 – WHISTLEBLOWER POLICY

The Whistleblower Policy demonstrates that the Company is committed to the highest standards of conduct and ethical behaviour in all its business activities. The Company supports a culture of honest and ethical behaviour in ensuring good corporate compliance and governance. The Whistleblower Policy sets out, amongst other things, instances of suspected misconduct which can be reported to the internal and external parties and summarises the protections offered to whistleblowers.

Any material breach of the Company's policies, including any breach of the Whistleblower Policy, is raised at Board level.

The Whistleblower Policy is available on the Company's website (<https://www.cleanteqwater.com/company/corporate-governance/>).

RECOMMENDATION 3.4 – ANTI-BRIBERY AND CORRUPTION POLICY

The Anti-Bribery and Corruption Policy demonstrates that the Company is committed to maintain high standards of integrity and accountability in conducting its business. The policy provides a framework of guidelines and principles to encourage ethical behaviour in the conduct of business.

Any material breach of the Company's policies, including any breach of the Anti-Bribery and Corruption Policy, is raised, and reviewed at Board level.

The Anti-Bribery and Corruption Policy is available on the Company's website (<https://www.cleanteqwater.com/company/corporate-governance/>).

PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING

RECOMMENDATION 4.1 – AUDIT COMMITTEE

The Company's Audit & Risk Committee Charter provides for the establishment of an Audit & Risk Committee, with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director who is not the Board Chair. The Audit & Risk Committee Charter is available on the Company's website (<https://www.cleanteqwater.com/company/corporate-governance/>).

The Audit & Risk Committee consists of three members, of whom two are independent Non-Executive Directors, being Mr Ian Knight and Ms Robyn McLeod, and one non-independent Non-Executive Director, being Mr Sam Riggall.

Following the resignation of Mr Vriesendorp as CEO of the Company on 1 May 2023, Mr Voigt was appointed as interim CEO and Mr Knight as Board Chair. The Board acknowledges that the appointment of Mr Knight as Board Chair on 1 May 2023, whilst still being the chair of the Audit & Risk Committee, is a deviation from Recommendation 4.1. Due to the size of the Company and that of the Board, the Board believes that this decision is appropriate and in the best interest of the Company and its stakeholders. On the appointment of a new CEO, Mr Voigt is expected to resume his role as Board Chair.

All directors have relevant experience as shown in their biographies in the Directors' Report.

Details of meetings held by the Committee during the year and member attendances are set out in the 2023 Directors' Report.

In accordance with the Company's Audit & Risk Committee Charter the primary function of the Committee is to assist the Board to carry out the following:

- review and monitor the integrity of the Company's financial reports and statements;
- maintain and improve the quality, credibility and objectivity of the financial accountability process (including financial reporting on a consolidated basis);
- promote a culture of compliance and ensure effective compliance systems and supporting policies and procedures;
- ensure effective communication between the Board and the senior compliance manager; and
- ensure effective internal and external audit functions and communication between the Board and external and (if applicable) internal auditors.

It also has risk management and internal control functions as set out under Recommendation 6.1.

The number of meetings held and the individual attendances of Committee members at those meetings are disclosed in the 2023 Directors' Report.

RECOMMENDATION 4.2 - ASSURANCES

The CEO and Chief Financial Officer ("CFO") provide an annual declaration to the Board prior to the Board's approval of the Company's full year financial results. This process was followed for the 2023 full year financial results, where the CEO and CFO provided a declaration to the Board 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. On this basis, the 2023 full year financial results were approved by the Board.

RECOMMENDATION 4.3 – VERIFICATION OF INTEGRITY OF PERIODIC CORPORATE REPORTS

The Company's external auditor attends every AGM as required by the Corporations Act, and members are allowed a reasonable opportunity at the meeting to ask the auditor questions relevant to the audit, their report and independence, and the accounting policies adopted by the Company. The external auditor's independence declaration is contained in the Directors' Report in the 2023 Annual Report.

Any periodic corporate report the Company releases to the market that is not audited or reviewed by an external auditor is reviewed and approved by the Board so that it is satisfied the report in question is materially correct, balanced and provides investors with appropriate information to make an informed investment decision. Following review by the Board of Directors the report is formally approved prior to release.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

RECOMMENDATION 5.1 – CONTINUOUS DISCLOSURE POLICY

The Company is committed to providing information to shareholders and to the market in a manner that is consistent with the meaning and intention of the ASX Listing Rules and the Corporations Act. To comply with these obligations, the Company has in place a Continuous Disclosure Policy and it is available on the Company's website (<https://www.cleanteqwater.com/company/corporate-governance/>).

The Continuous Disclosure Policy sets out the key obligations of directors and employees in relation to continuous disclosure as well as the Company's obligations under the ASX Listing Rules and the Corporations Act. The policy also provides procedures for internal notification and external disclosure, as well as procedures for promoting understanding of compliance with the disclosure requirements.

The Board has overarching responsibility for compliance with Clean TeQ Water's continuous disclosure obligations and Board approval is required for certain key matters (as set out in the policy) and matters may be referred to the Board for approval by the CEO, the CFO, or the Company Secretary.

The Board is committed to the promotion of investor confidence by ensuring that trading in the Company's securities takes place in an efficient, competitive, and informed market. In accordance with continuous disclosure obligations under the ASX Listing Rules, the Company has procedures in place to ensure that all price sensitive information is identified, reviewed by management, and disclosed to the ASX in a timely manner. The Company website includes a link to all information disclosed to the ASX.

RECOMMENDATION 5.2 – PROVIDE BOARD WITH COPIES OF ALL MATERIAL MARKET ANNOUNCEMENTS

The Company ensures that its Board receives copies of all material market announcements prior to release to the market followed by immediate notification including announcement following each release to the market.

RECOMMENDATION 5.3 – INVESTOR PRESENTATION

In accordance with the recommendation, the Company ensures that all substantive presentations are released to the market to enable security holders the opportunity to participate in the presentation.

The Company also maintains a separate investor page on its website to provide shareholders with links to ASX announcements, presentations, and other key information.

PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

RECOMMENDATION 6.1 – INFORMATION AND GOVERNANCE

The Company's website (<https://www.cleanteqwater.com>) contains key information about the Company and its corporate governance practices and policies, as well as biographies of the Board members and Company Secretary.

The Company also maintains a separate investor page on its website to provide shareholders with links to ASX announcements, presentations, and other key information.

RECOMMENDATION 6.2 – INVESTOR RELATIONS PROGRAM

The Company endeavours to communicate with shareholders and other stakeholders in an open, regular, and timely manner so that the market has sufficient information to make informed investment decisions. The Company has adopted a Shareholder Communications Policy which aims to promote and facilitate effective two-way communication with investors and outlines a range of ways in which information is communicated to shareholders.

Through its shareholder communications, the Company aims to provide information that will allow existing shareholders, potential shareholders, and financial analysts to make informed decisions about the Company's intrinsic value and meet its obligations under the ASX's continuous disclosure regime.

The Company's Shareholder Communication Policy is available on its website (<https://www.cleanteqwater.com/company/corporate-governance/>).

Shareholders are actively encouraged to take advantage of the benefits of electronic communications. Shareholders and investors can raise any issues or concerns at any time by contacting the Company by visiting <https://www.cleanteqwater.com/contact/general-enquiry/> or by writing to the CEO or Company Secretary at Unit 12, 21 Howleys Road, Notting Hill, VIC 3168. Where possible, bearing in mind the Company's obligations under the Corporations Act, the ASX Listing Rules and the Continuous Disclosure Policy, responses will be provided.

RECOMMENDATION 6.3 – SHAREHOLDER MEETING PARTICIPATION

Shareholders will be sent the Company's Annual Report, if requested (it is otherwise made available on the Clean TeQ Water website (www.cleanteqwater.com)), and documents relating to each General Meeting, being the Notice of Meeting, any Explanatory Memorandum and a Proxy Form, and shareholders are invited to attend these meetings. Shareholders may elect to receive communications electronically.

The Board regards the AGM as an important opportunity to communicate with shareholders and it provides a key forum for shareholders to ask questions about the Company, its strategy and performance. At shareholder meetings, the Company will provide an opportunity for shareholders and other stakeholders to hear from and put questions to the Board, and management, and where applicable, from the external auditor of the Company.

RECOMMENDATION 6.4 – ALL SUBSTANTIVE RESOLUTIONS AT A SECURITY HOLDER MEETING ARE DECIDED BY POLL

To ascertain the true will of Clean TeQ Water’s security holders attending and voting at its security holder meetings, whether they attend in person, electronically or by proxy or other representative, the Company will conduct the voting procedure by a poll.

RECOMMENDATION 6.5 – ELECTRONIC COMMUNICATION WITH SHAREHOLDERS

Shareholders are actively encouraged to take advantage of the benefits of electing to receive communication from the Company and its share registry electronically.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

RECOMMENDATION 7.1 – RISK COMMITTEE

The Company’s Audit & Risk Committee Charter provides for the establishment of an Audit & Risk Committee, with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director who is not the Board Chair. The Audit & Risk Committee Charter is available on our website at <https://www.cleanteqwater.com/company/corporate-governance/>.

The Audit & Risk Committee consists of three members, of whom two are independent Non-Executive Directors, being Mr Ian Knight and Ms Robyn McLeod, and one non-independent Non-Executive Director, being Mr Sam Riggall.

Following the resignation of Mr Vriesendorp as CEO of the Company on 1 May 2023, Mr Voigt was appointed as interim CEO and Mr Knight as Board Chair. The Board acknowledges that the appointment of Mr Knight as Board Chair on 1 May 2023, whilst still being the chair of the Audit & Risk Committee, is a deviation from Recommendation 4.1. Due to the size of the Company and that of the Board, the Board believes that this decision is appropriate and in the best interest of the Company and its stakeholders. On the appointment of a new CEO, Mr Voigt is expected to resume his role as Board Chair.

All directors have relevant experience as shown in their biographies in the Directors’ Report.

In accordance with the Company’s Audit & Risk Committee Charter, the Committee also has delegated responsibilities in relation to risk management which include assisting the Board to:

- review and make recommendations regarding the adequacy and integrity of the Company’s risk management framework and system of internal controls;
- reviewing compliance with relevant laws and regulations; and
- reviewing and maintaining the effectiveness of the Company’s Crisis Management system

Details of meetings held by the Committee during the year and member attendance are set out in the 2023 Directors’ Report.

RECOMMENDATION 7.2 – RISK MANAGEMENT FRAMEWORK

Clean TeQ Water’s risk management framework is supported by the Board of directors, management, and the Audit & Risk Committee. The Board is responsible for approving and reviewing the Company’s risk management strategy and policy.

Management is responsible for ensuring that appropriate processes and controls are in place to manage risk effectively and efficiently. Management is also responsible for monitoring compliance with and the effectiveness of risk management systems and controls at a divisional level including financial and non-financial risks. Senior management regularly reports to the Board and Audit & Risk Committee on the adequacy of its risk management systems, processes, and key matters for consideration.

The Board has adopted a Risk Management Policy which sets out the Company’s system of risk oversight, management of material business risks and internal control. The Risk Management Policy is available on the Company’s website (<https://www.cleanteqwater.com/company/corporate-governance/>). The Company’s risk management framework is reviewed on a periodic basis, and a review was undertaken during FY23.

RECOMMENDATION 7.3 – INTERNAL AUDIT

The Board acknowledges that an internal audit function provides independent and objective assurance on the adequacy and effectiveness of the Company’s systems for risk management, internal controls, and governance, along with recommendations to improve the efficiency and effectiveness of these systems and processes. However, in light of cost-benefit considerations, the size and scope of the Company’s operations, the Board does not consider it necessary to have an internal audit function and will continue to monitor whether the Company requires an internal audit function.

The Audit & Risk Committee oversees relevant financial and non-financial risks. During FY23, the Company has employed the following process for evaluating and continually improving the effectiveness of its risk management and internal control processes:

- the Audit & Risk Committee monitors the need for an internal audit function having regard to the size, location and complexity of the Company’s operations;
- the Audit & Risk Committee periodically undertakes an internal review of financial systems and processes, and where systems are considered to require improvement these are developed; and
- the Audit & Risk Committee reviews risk management and internal compliance procedures at each Board meeting and will monitor the quality of the accounting function.

RECOMMENDATION 7.4 – ECONOMIC, ENVIRONMENTAL AND SOCIAL RISKS

The Company is not subject to any particular or significant single economic, environmental or social risk. The Company is subject to a range of general economic risks, including macro-economic risks, government policy, general business conditions and many other factors.

The Board does not consider the Company to have any material exposure to economic, environmental, and social risks. The Company’s key risks are disclosed in the Company’s 2023 Annual Report. To mitigate those risks, the Company utilises risk mitigation strategies, including employing qualified and specialised consultants and advisors, as and when required, and holding a comprehensive insurance program.

Further material on the Company’s approach to Risk Management and certain risks mentioned above are available on our website <https://www.cleanteqwater.com/company/corporate-governance/>.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

RECOMMENDATION 8.1 – REMUNERATION COMMITTEE

The Company's Nomination & Remuneration Committee Charter provides for the establishment of a committee with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director. The Nomination & Remuneration Committee Charter is available on the Company's website (<https://www.cleanteqwater.com/company/corporate-governance/>).

The Nomination & Remuneration Committee consists of three members, of whom two are independent Non-Executive Directors, being Mr Ian Knight and Ms Robyn McLeod, and one non-independent Non-Executive Director, being Mr Sam Riggall. All directors have relevant experience as shown in their biographies in the Directors' Report.

Clean TeQ Water's Nomination & Remuneration Committee has been delegated responsibilities in relation to remuneration matters as set out in the Nomination & Remuneration Committee Charter. Its role includes, *inter alia*, making recommendations to the Board on:

- the adoption the executive remuneration;
- any changes to the remuneration of Non-Executive Directors;
- gender equality in the recruitment, retention and remuneration policies and practices for Directors and employees including executives; and
- recruitment, retention and termination policies and practices for the Board and executives and including preparing for approval by the Board any report on executive remuneration that may be required under relevant regulator standards.

Details of meetings held by the Committee during the year and member attendances are set out in the 2023 Directors' Report.

RECOMMENDATION 8.2 – REMUNERATION POLICIES AND PRACTICES

The Nomination & Remuneration Committee is responsible for determining and reviewing remuneration policies for the Directors and senior executives. If necessary, it obtains independent advice on the appropriateness of remuneration packages given trends in comparable companies and in accordance with the objectives of the Company.

Details of Clean TeQ Water's remuneration practices for its directors and senior executives are disclosed in the Remuneration Report in the Company's 2023 Annual Report. The Remuneration Report highlights the balance between fixed pay, short term incentive and long-term incentives, and includes details of the remuneration paid and the relationship to the Company's performance.

RECOMMENDATION 8.3 – EQUITY BASED REMUNERATION SCHEME

The Company's Share Trading Policy and Employee Incentive Plan prohibits participants from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.

The Share Trading Policy and Employee Incentive Plan Rules are available on the Company's website (<https://www.cleanteqwater.com/company/corporate-governance/>).