

# Corporate Governance Statement

This corporate governance statement sets out Recce Pharmaceuticals Ltd's (**Company**) current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (Fourth Edition) (**ASX Principles and Recommendations**). The ASX Principles and Recommendations are not mandatory.

However, this corporate governance statement discloses the extent to which the Company has followed the ASX Principles and Recommendations. This corporate governance statement is current as at 29 September 2023 and has been approved by the board of the Company (**Board**).

ASX PRINCIPLES AND RECOMMENDATIONS	COMPLY (Yes/No)	EXPLANATION
<b>1: Lay solid foundations for management and oversight</b>		
1.1 A listed entity should have and disclose a board charter setting out:	<b>YES</b>	The Board is responsible for the corporate governance of the Company.
(a) the respective roles and responsibilities of its board and management; and	<b>YES</b>	The Board has adopted a Board Charter which outlines the manner in which its powers and responsibilities will be exercised, discharged or delegated, having regard to principles of good corporate governance and applicable laws.
(b) those matters expressly reserved to the board and those delegated to management.	<b>YES</b>	A copy of the Board Charter is available on the Company's website at the following URL: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a> .
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>YES</b>	(a) The Nomination and Remuneration Committee is responsible for recommendations to the Board for the selection and appointment of members of the Board. The Company's Nomination and Remuneration Committee Charter requires the Nomination and Remuneration Committee to undertake appropriate checks before the Board appoints a person or puts forward a candidate to security holders for election as a director.
(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.	<b>YES</b>	(b) All material information relevant to the decision on whether or not to elect any potential directors, including information relating to their qualifications, experience and proposed roles within the Board are provided to shareholders in the Company's notices of meetings.
1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<b>YES</b>	The Company Secretary position is directly accountable to the Board through the Chairperson on all matters relevant to the proper functioning of the Board. The Company Secretary is accessible to all Directors.
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.	<b>YES</b>	The Company Secretary position is directly accountable to the Board through the Chairperson on all matters relevant to the proper functioning of the Board. The Company Secretary is accessible to all Directors.

# Corporate Governance Statement Continued

ASX PRINCIPLES AND RECOMMENDATIONS	COMPLY (Yes/No)	EXPLANATION
1.5 A listed entity should:		
(a) Have and disclose a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;	NO	(a) The Company has adopted a Diversity Policy which complies with the guidelines prescribed by the ASX Corporate Governance Council. The Diversity Policy is available on the Company's website at <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a> .
(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	NO	<p>(b) The Diversity Policy:</p> <p>(i) provides a framework for the Company to set and achieve measurable objectives for achieving diversity;</p> <p>(ii) provides for the monitoring and evaluation of the scope and currency of the Diversity Policy. The Company is responsible for implementing, monitoring and reporting on the measurable objectives.</p> <p>A copy of the Diversity Policy is available on the Company's website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a>.</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&amp;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>	NO	<p>(c) As of 30 June 2023, the respective proportions of men and women on the Board, in Senior Executive positions and across the whole organisation are set out below:</p> <p>(i) 5 Directors of the Company's Board were male and 1 female;</p> <p>(ii) 57% of the Company's Senior Executives were male and 43% were female; and</p> <p>(iii) 44% of the Group's entire workforce (including Board members) were female and 56% were male.</p> <p>Senior Executives are defined as the Executive Directors and those with a direct report into the CEO.</p>

ASX PRINCIPLES AND RECOMMENDATIONS	COMPLY (Yes/No)	EXPLANATION
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	YES	(a) The Nomination and Remuneration Committee is responsible for evaluating the performance of the Board and individual Directors on an annual basis. The process for this is set out in the Company's Nomination and Remuneration Committee Charter which is available on the Company's website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a> .
(b) disclose, for each reporting period, whether a performance evaluation has been undertaken in the reporting period in accordance with that process during or in respect of that period.	YES	(b) An informal evaluation of the performance of the board, its committees and its individual Directors was conducted in relation to the reporting period.
1.7 A listed entity should:		
(a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period; and	YES	(a) The Nomination and Remuneration Committee is responsible for evaluating the performance of Senior Executives on an annual basis in accordance with the Company's Nomination and Remuneration Committee Charter which is available on the Company's website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a> .
(b) disclose, in relation to each reporting period, whether a performance evaluation has been undertaken in the reporting period in accordance with that process during or in respect of that period.	YES	(b) An evaluation of the Company's Senior Executives was conducted in relation to the reporting period.

# Corporate Governance Statement Continued

ASX PRINCIPLES AND RECOMMENDATIONS	COMPLY (Yes/No)	EXPLANATION
<b>2: Structure the Board to be effective and add value</b>		
2.1 The board of a listed entity should:		
(a) have a nomination committee which:	<b>YES</b>	The Company has established a Nomination and Remuneration Committee with Dr Alan Dunton, an independent Director, as Chair of the Committee.
(1) has at least three members, a majority of whom are independent directors; and		The Committee has three members, who are:
(2) is chaired by an independent director, and disclose:		(a) Dr Alan Dunton – Independent Non-executive Director;
(3) the charter of the committee;		(b) Dr John Prendergast – Executive Director; and
(4) the members of the committee; and		(c) Alistair McKeough – Independent Non-executive Director.
(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		The Committee met 4 times during the FY23 financial reporting period and the attendance of each member at those meetings is as follows: (a) Dr Alan Dunton – 4; (b) Dr John Prendergast – 4 ; and (c) Alistair McKeough – 3.  A copy of the Nomination and Remuneration Committee Charter is available on the Company's website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a> .
(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.	<b>N/A</b>	
2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.	<b>YES</b>	The Board strives to ensure that it is comprised of Directors with a blend of skills, experience and attributes appropriate for the Company and its business. The Company has a board skills matrix, setting out the mix of skills and diversity of the current Directors of the Company. A copy of the Board Skills Matrix is available on the Company website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a> .

ASX PRINCIPLES AND RECOMMENDATIONS	COMPLY (Yes/No)	EXPLANATION
2.3 A listed entity should disclose:		
(a) the names of the directors considered by the board to be independent directors;	YES	(a) Dr Alan Dunton and Alistair McKeough, are the only Directors of the Company considered independent.
(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and	YES	(b) Dr Alan Dunton and Alistair McKeough, are the only two Directors of the Company considered independent and do not have an interest, position, association or relationship of the type described in Box 2.3 of the ASX Principles and Recommendations. The Board assesses the independence of new Directors upon appointment and reviews Director independence as appropriate.
(c) the length of service of each director.	YES	(c) The date of appointment of each Director is as follows: <ul style="list-style-type: none"> <li>• Dr John Prendergast – appointed on 23-04-2018;</li> <li>• James Graham – appointed on 23-06-2015;</li> <li>• Michele Dilizia – appointed on 26-06-2015;</li> <li>• Dr Justin Ward – appointed on 08-07-2019;</li> <li>• Dr Alan Dunton – appointed on 14-07-2020; and</li> <li>• Alistair McKeough – appointed on 01-09-2022.</li> </ul>
2.4 A majority of the board of a listed entity should be independent directors.	NO	The Board Charter requires that where practical the majority of the Board will be independent. The Board currently comprises a total of six Directors, of whom two are considered to be independent, being Dr Alan Dunton and Alistair McKeough.  The Board does not currently consider an independent majority of the Board to be appropriate given: <ul style="list-style-type: none"> <li>(a) the magnitude of the Company's operations; and</li> <li>(b) the relevant skills and experience of Ms Dilizia, Dr Dunton, Mr Graham, Mr McKeough, Dr Prendergast and Dr Ward mean that the Board is appropriately skilled at this stage, to further the progress and development of the Company.</li> </ul>
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.	NO	The Company's Executive Chairman, Dr Prendergast, does not satisfy the ASX Principles and Recommendations definition of an independent director. Mr James Graham is the CEO of the Company.

# Corporate Governance Statement Continued

ASX PRINCIPLES AND RECOMMENDATIONS	COMPLY (Yes/No)	EXPLANATION
<p>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.</p>	<p><b>YES</b></p>	<p>The Nomination and Remuneration Committee is responsible to the Board for reviewing and recommending to the Board induction and professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities.</p> <p>As a result, the Company has in place a program for the induction of new Directors which is tailored to each new Director depending on their personal requirements, background skills, qualifications and experience and includes the provision of a formal letter of appointment and an induction pack containing sufficient information to allow the new Director to gain an understanding of the business of the Company, and the roles, duties and responsibilities of Directors and the Executive Team.</p> <p>All Directors are encouraged to undergo continual professional development and, subject to prior approval by the Chairman, all Directors have access to numerous resources and professional development training to address any skills gaps</p>
<p><b>3: Instill a culture of acting lawfully, ethically and responsibly</b></p>		
<p>3.1 A listed entity should articulate and disclose its values.</p>	<p><b>YES</b></p>	<p>The Company values are:</p> <ul style="list-style-type: none"> <li>(a) Integrity;</li> <li>(b) Inclusivity;</li> <li>(c) Innovation;</li> <li>(d) Respect; and</li> <li>(e) Accountability.</li> </ul> <p>The Company values are published on the Company's website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a>.</p>
<p>3.2 A listed entity should:</p>		
<p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p>	<p><b>YES</b></p>	<p>(a) The Board is committed to the establishment and maintenance of appropriate ethical standards in order to instil confidence in both clients and the community in the way the Company conducts its business. These standards are encapsulated in the Code of Conduct which outlines how the Company expects each person who represents it to behave and conduct business. The Company has a Code of Conduct which applies to all Directors, senior executives and employees and is available on the Company's website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a>.</p>
<p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</p>	<p><b>YES</b></p>	<p>(b) The Company ensures that the Board is informed of any material breaches under the Code of Conduct Policy.</p>

ASX PRINCIPLES AND RECOMMENDATIONS	COMPLY (Yes/No)	EXPLANATION
3.3 A listed entity should:		
(a) have and disclose a whistleblower policy; and	YES	(a) The Company has adopted a Whistleblower Protection Policy which establishes a system for the reporting, investigation and rectification of wrongdoing. A copy of the Whistleblower Policy is available on the Company's website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a> .
(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	YES	(b) Through ongoing reporting, whilst preserving confidentiality, the Board is provided periodic reports on any disclosures under the Whistleblower Policy.
3.4 A listed entity should:		
(a) have and disclose an anti-bribery and corruption policy; and	YES	(a) The Company has adopted an Anti-bribery and Corruption Policy which sets out the Company's policy in relation to bribery, corruption and related improper conduct and establishes a process for the reporting of such conduct. The Anti-bribery and Corruption Policy is available on the Company's website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a> .
(b) ensure that the board or committee of the board is informed of any material breaches of that policy.	YES	(b) Through on-going reporting, the Company ensures that the Board is informed of any material breaches under the Anti-bribery and Corruption Policy.

# Corporate Governance Statement Continued

4: Safeguard the integrity of corporate reports		
ASX PRINCIPLES AND RECOMMENDATIONS	COMPLY (Yes/No)	EXPLANATION
4.1 The board of a listed entity should:		
(a) have an audit committee which:	<b>NO</b>	The Company has established an Audit and Risk Management Committee with Alistair McKeough, an independent Director, as Chair of the Committee. The Committee has three members, who are:
(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and		(a) Alistair McKeough – Independent Non-executive Director;
(2) is chaired by an independent director, who is not the chair of the board, and disclose:		(b) Dr Alan Dunton – Independent Non-executive Director; and
(3) the charter of the committee;		(c) Dr John Prendergast – Executive Director.
(4) the relevant qualifications and experience of the members of the committee; and		The Committee met 5 times during the FY23 financial reporting period and the attendance of each member at those meetings is as follows:
(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		(a) Mr Alistair McKeough – 4;
		(b) Dr Alan Dunton – 5;
		(c) Dr John Prendergast – 5.
		A copy of the Audit and Risk Management Committee Charter is available on the Company's website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a> .
(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.	<b>N/A</b>	
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.	<b>YES</b>	Prior to the execution of the financial statements of the Company, the Company's Executive Director and CFO provided the Board with written assurances that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal controls which is operating effectively in all material aspects in relation to the Company's financial reporting risks.

ASX PRINCIPLES AND RECOMMENDATIONS	COMPLY (Yes/No)	EXPLANATION
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.	YES	<p>The Board ensures that any periodic corporate report the Company releases to the market that has not been subject to audit or review by an external auditor discloses the process taken to verify the integrity of its content.</p> <p>The Company releases Half Year Financial Reports which are reviewed by external auditor, BDO, and Full Year Financial Reports which are audited by external auditor BDO.</p> <p>The Company is committed to providing clear, concise and effective disclosure in its corporate reports. The Company's goal is that periodic corporate reports will be accurate, balanced and provide investors with appropriate information to make informed investment decisions. The Company's process for verifying unaudited periodic corporate reports is as follows:</p> <ul style="list-style-type: none"> <li>• reports are prepared by or under the supervision of subject matter experts;</li> <li>• material statements in the reports are reviewed for accuracy and material requirements and appropriately interrogated;</li> <li>• other than administrative announcements all the announcements must be approved by the Board.</li> </ul> <p>This process is intended to ensure that all applicable laws, regulations and company policies have been complied with and that the source of the information is able to be verified and that appropriate approvals have been obtained before a report is released to the market.</p>
<b>5: Make timely and balanced disclosure</b>		
5.1 A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	YES	<p>The Company is committed to providing timely, complete and accurate disclosure of information to allow a fair and well-informed market in its securities and compliance with the continuous disclosure requirements imposed by law, including the Corporations Act and the ASX Listing Rules. A copy of the Company's Continuous Disclosure Policy is available at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a>.</p>
5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	YES	<p>The Company ensure that the Board receives copies of all material market announcements promptly after they have been made.</p>
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.	YES	<p>The Company ensure that ahead of any new and substantive investor or analyst presentations, a copy of the presentations materials are released to ASX Announcement Platform.</p>

# Corporate Governance Statement Continued

ASX PRINCIPLES AND RECOMMENDATIONS	COMPLY (Yes/No)	EXPLANATION
<b>6: Respect the rights of security holders</b>		
6.1 A listed entity should provide information about itself and its governance to investors via its website.	<b>YES</b>	<p>The Company provides information about itself and its governance to its investors on the Company's website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a>.</p> <p>The Company will regularly update the website and contents therein as deemed necessary.</p>
6.2 A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<b>YES</b>	<p>The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with its investors. The Strategy outlines a range of ways in which information is communicated to shareholders.</p> <p>A copy of the Company's Shareholder Communications Strategy policy is available on the Company's website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a>.</p>
6.3 A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<b>YES</b>	<p>The Company encourages shareholder participate at the Company's general meetings through various means including:</p> <ul style="list-style-type: none"> <li>(a) having the opportunity to ask questions of Directors at all general meetings;</li> <li>(b) ensuring that the auditor is present at AGMs to take shareholder questions on any issue relevant to their capacity as auditor;</li> <li>(c) ensuring that Directors are available to answer shareholder questions submitted by telephone, email and other means (where appropriate); and</li> <li>(d) providing Shareholders with the option of appointing a proxy to vote on their behalf.</li> </ul> <p>Traditionally, the key forum for two-way communication between the Company and its shareholders is its AGM.</p>
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.	<b>YES</b>	All resolutions at a meeting of security holders are decided by a poll rather than a show of hands.
6.5 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<b>YES</b>	<p>Shareholders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX.</p> <p>Shareholders can also elect to receive electronic communications via the Company's registry, Automatic Registry Services.</p>

ASX PRINCIPLES AND RECOMMENDATIONS	COMPLY (Yes/No)	EXPLANATION
<b>7: Recognise and manage risk</b>		
7.1 The Board of a listed entity should:		
<p>(a) have a committee or committees to oversee risk, each of which:</p> <ul style="list-style-type: none"> <li>(1) has at least three members, a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, and disclose:</li> <li>(3) the charter of the committee;</li> <li>(4) the members of the committee; and</li> <li>(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</li> </ul>	<b>YES</b>	<p>The Company has established an Audit and Risk Management Committee with Mr Alistair McKeough, an independent Director, as Chair of the Committee. The Committee has three members, who are:</p> <ul style="list-style-type: none"> <li>(a) Alistair McKeough – Independent Non-executive Director;</li> <li>(b) Dr Alan Dunton – Independent Non-executive Director; and</li> <li>(c) Dr John Prendergast – Executive Chairman.</li> </ul> <p>The Committee met 5 times during the FY23 financial reporting period and the attendance of each member at those meetings is as follows:</p> <ul style="list-style-type: none"> <li>(a) Mr Alistair McKeough – 4;</li> <li>(b) Dr Alan Dunton – 5;</li> <li>(c) Dr John Prendergast – 5.</li> </ul> <p>A copy of the Audit and Risk Management Committee Charter is available on the Company's website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a>.</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>	<b>N/A</b>	
7.2 The board or a committee of the board should:		
<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>	<b>YES</b>	<p>The Audit and Risk Management Committee Charter sets out a requirement for the Audit and Risk Management Committee to review the Company's risk management framework on an annual basis.</p> <p>The Company monitors, evaluates and seeks to improve its risk management and internal control processes in line with the processes set out in its Risk Management Policy, a copy of which is available on the Company's website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a>.</p> <p>In addition, the Company has a number of other policies that directly or indirectly serve to reduce and/or manage risk, including:</p> <ul style="list-style-type: none"> <li>(i) Continuous Disclosure Policy;</li> <li>(ii) Code of Conduct; and</li> <li>(iii) Trading Policy.</li> </ul>

# Corporate Governance Statement Continued

ASX PRINCIPLES AND RECOMMENDATIONS	COMPLY (Yes/No)	EXPLANATION
(b) disclose in relation to each reporting period, whether such a review has taken place.	YES	The Audit and Risk Management Committee completed such a review during the current reporting period. Having conducted such reviews throughout the reporting period the Audit and Risk Management Committee resolved that the Company's risk management framework continues to be sound.
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	YES	N/A
(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.	YES	<p>The Audit and Risk Management Committee Charter provides for the Audit and Risk Management Committee to monitor the need for an internal audit function. At this stage, due to the current size and nature of the existing Board and the magnitude of the Company's operations the Company does not have an internal audit function.</p> <p>The Company has adopted a Risk Management Policy which the Company follows. The Board of the Company and the Audit and Risk Management Committee will periodically review the Company's operations to evaluate the effectiveness of risk management and internal control processes of the Company. In addition, the Audit and Risk Management Committee will directly monitor the potential exposures facing the Company through ongoing reporting by the CFO.</p> <p>For each reporting period the Company's external auditor also conducts a control review to consider and report on the risks facing the Company and the controls the Company has in place to mitigate those risks</p>
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.	YES	All material risks to economic, environmental and social sustainability risks will be announced to the market, in accordance with the requirements of the ASX Listing Rules and otherwise within the Annual Report.
<b>8: Remunerate fairly and responsibly</b>		
8.1 The Board of a listed entity should:		
(a) (1) have a remuneration committee which: has at least three members, a majority of whom are independent directors; and	YES	The Company has established a Nomination and Remuneration Committee with Dr Alan Dunton, an independent Director, as Chair of the Committee.
(2) is chaired by an independent director, and disclose:		The Committee has three members, who are:
(3) the charter of the committee;		(a) Dr Alan Dunton – Independent Non-executive Director;
(4) the members of the committee; and		(b) Alistair McKeough – Independent Non-executive Director; and

ASX PRINCIPLES AND RECOMMENDATIONS	COMPLY (Yes/No)	EXPLANATION
(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>(c) Dr John Prendergast – Executive Chairman.</p> <p>The Committee met 4 times during the FY23 financial reporting period and the attendance of each member at those meetings is as follows:</p> <p>(a) Dr Alan Dunton – 4;</p> <p>(b) Dr John Prendergast – 4; and</p> <p>(c) Mr Alistair McKeough – 3.</p> <p>A copy of the Nomination and Remuneration Committee Charter is available on the Company’s website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a>.</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.	N/A	
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.	YES	The structure and details of Directors’ remuneration is disclosed in the 2023 Annual Report.
8.3 A listed entity which has an equity-based remuneration scheme should:		
(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and	YES	The Company’s Nomination and Remuneration Committee is responsible for the review and recommendation to the Board of any equity-based remuneration schemes offered to Directors and employees of the Company. Further, in accordance with the Nomination and Remuneration Committee Charter, the Nomination and Remuneration Committee is also responsible for recommending, on a case by case basis, for scheme participants to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the Scheme.
(b) disclose that policy or a summary of it.	YES	The Company’s policy in this regard is set out in the Company’s Nomination and Remuneration Committee Charter, a copy of which is available on the Company’s website at: <a href="https://www.recce.com.au/index.php/company/corporate-governance">https://www.recce.com.au/index.php/company/corporate-governance</a> .