

## CORPORATE GOVERNANCE STATEMENT

The Board is responsible for establishing the Company's corporate governance framework, the key features of which are set out below. In establishing its corporate governance framework, the Board has referred to the 4th edition of the ASX Corporate Governance Councils' Corporate Governance Principles and Recommendations, for the year ended 31 December 2023.

ASX Listing Rule 4.10.3 requires ASX listed companies to report on the extent to which they have followed the Corporate Governance Principles and Recommendations ("ASX Principles") 4th Edition released by the ASX Corporate Governance Council. The ASX Principles require the Board to consider carefully the development and adoption of appropriate corporate governance policies and practices founded on the ASX Principles.

The Company's corporate governance practices comply in all material respects with the ASX Principles unless otherwise stated.

The following governance-related documents can be found on the Company's website at <https://osteopore.com/investors#corp-governance>:

- (a) Board Charter
- (b) Corporate Code of Conduct;
- (c) Audit and Risk Committee Charter;
- (d) Remuneration and Nomination Committee Charter;
- (e) Performance Evaluation Policy;
- (f) Continuous Disclosure Policy;
- (g) Risk Management Policy;
- (h) Trading Policy;
- (i) Diversity Policy;
- (j) Policy on Selection, Appointment and Rotation of External Auditors Policy;
- (k) Shareholder Communications Strategy;
- (l) Whistleblower Policy;
- (m) Anti-bribery and anti-corruption Policy;
- (n) Social Media Policy;
- (o) Cyber Policy; and
- (p) Privacy Policy.

The Corporate Governance Statement is accurate and up to date as at 16 April 2024 and has been approved by the Board on 16 April 2024.

### **Principle 1: Lay solid foundations for management and oversight**

#### ***Recommendation 1.1***

The Company has established the respective roles and responsibilities of its Board and management, and those matters expressly reserved to the Board and those delegated to management, and has documented this in its Board Charter.

The responsibilities of the Board include but are not limited to:

- (a) providing leadership and setting the strategic objectives of the Company;
- (b) appointment, and where necessary, the replacement, of the Chief Executive Officer/Executive Director and other senior executives and the determination of their terms and conditions including remuneration and termination.
- (c) undertaking appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director;
- (d) overseeing management's implementation of the Company's strategic objectives and its performance generally;

- (e) approving operating budgets and major capital expenditure;
- (f) overseeing the integrity of the Company's accounting and corporate reporting systems including the external audit;
- (g) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (h) ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate; and
- (i) monitoring the effectiveness of the Company's governance practices.

In exercising its responsibilities, the Board recognises that there are many stakeholders in the operations of the Company, including employees, shareholders, the government and the community.

The Board has delegated responsibility for the business operations of the Company to the Executive Director, Chief Executive Officer and the management team. The management team, led by the Executive Director is accountable to the Board.

### ***Recommendation 1.2***

The Board has adopted a Nomination Committee to carry out the responsibilities delegated by the Board relating to the Company's director nominations process and procedures. Checks undertaken may include checks as to the person's character, experience, education, criminal record and bankruptcy history.

Material information relevant to a decision on whether or not to elect or re-elect a director is provided to security holders in all Notices of Meeting which contain director election or re-election resolutions.

### ***Recommendation 1.3***

The Company has a written agreement with each of the Directors setting out the terms of their appointment. The material terms of any employment, service or consultancy agreement the Company, or any of its child entities, has entered into with its Chief Executive Officer, any of its directors, and any other person or entity who is a related party of the Chief Executive Officer or any of its directors will be disclosed in accordance with ASX Listing Rule 3.16.4 (taking into consideration the exclusions from disclosure outlined in that rule).

### ***Recommendation 1.4***

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 is responsible for the application of best practice in corporate governance and also supports the effectiveness of the Board by:

- (a) ensuring a good flow of information between the Board, its committees, and Directors;
- (b) monitoring policies and procedures of the Board;
- (c) advising the Board through the Chairman of corporate governance policies; and
- (d) conducting and reporting matters of the Board, including the despatch of Board agendas, briefing papers and minutes.

### ***Recommendation 1.5***

The Company has a Diversity Policy, the purpose of which is:

- (a) to outline the Company's commitment to creating a corporate culture that embraces diversity and, in particular, focuses on the composition of its Board and senior management; and
- (b) to provide a process for the Board to determine measurable objectives and procedures which the Company will implement and report against to achieve its diversity goals.

Given the Company's size and industry, the Board intends to set measurable objectives for achieving diversity, specifically including gender diversity and will review and report on the effectiveness and relevance of these measurable objectives, at the appropriate time. The Board has continued to assess diversity.

The following table is of respective portions of men and women on the Board, in senior executive positions and across the whole organisation.

	<b>Board<sup>1</sup></b>	<b>Senior Executives<sup>2</sup></b>	<b>Whole Organisation<sup>3</sup></b>
<b>Men</b>	4	1	9
<b>Women</b>	1	-	15

<sup>1</sup> includes the Company Secretary of Osteopore Limited.

<sup>2</sup> includes other key management personnel in accordance with the Annual Report.

<sup>3</sup> excludes Board and Senior Executives already disclosed in the table.

### **Recommendation 1.6**

Evaluation of the performance of the Board, Board committees and individual directors are to be in accordance with the process disclosed in the Company's performance evaluation policy.

This policy is to ensure:

- (a) individual Directors and the Board as a whole work efficiently and effectively in achieving their functions;
- (b) the executive Directors and key executives execute the Company's strategy through the efficient and effective implementation of the business objectives; and
- (c) committees to which the Board has delegated responsibilities are performing efficiently and effectively in accordance with the duties and responsibilities set out in the Board Charter.

The Company's Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the Board, its committees and individual directors for each financial year in accordance with the applicable processes. These performance evaluations are currently in progress for the year ended 31 December 2023. This policy will be reviewed annually.

### **Recommendation 1.7**

The Board will be responsible for evaluating the performance of the Company's senior executives in accordance with the process disclosed in the Company's performance evaluation policy.

The Chair will be responsible for evaluating the performance of the Company's Chief Executive Officer in accordance with the process disclosed in the Company's Process for Performance Evaluations,

The Company's Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of its senior executives and Chief Executive Officer for each financial year in accordance with the applicable processes. This policy will be reviewed annually. An evaluation of senior executives and the Chief Executive Officer was conducted during the year ended 31 December 2023.

## **Principle 2: Structure the board to add value**

### **Recommendation 2.1**

Due to the size of the Board, the Company does not have a separate nomination committee. The roles and responsibilities of a nomination committee are currently undertaken by the Board.

The duties of the full Board in its capacity as a nomination committee are set out in the Company's Remuneration and Nomination Committee Charter.

When the Board meets as a remuneration and nomination committee it carries out those functions which are delegated to it in the Company's Remuneration and Nomination Committee Charter. Items that are usually required to be discussed by a Remuneration and Nomination Committee are marked as separate agenda items at Board meetings when required.

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

The Directors are comfortable that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively, at this stage of the Company's operations.

**Recommendation 2.2**

The mix of skills and diversity which the Board is looking to achieve in its composition is:

- (a) a broad range of business experience; and
- (b) technical expertise and skills required to discharge duties.

The skills matrix reflects the Board's objective to have an appropriate mix of industry and professional experience including skills such as leadership, governance, strategy, finance, capital markets, risk, IT, policy and business development, intellectual property and international business and commercialisation.

**Recommendation 2.3**

The Board considers the independence of directors having regard to the relationships listed in Box 2.3 of the Principles and Recommendations.

During the financial year ended 31 December 2023 and currently the Board is structured as follows:

Name	Position	Date Appointed	Date Resigned
Mark Leong	Executive Chairman	28 December 2021	-
Daniel Ow	Non-Executive Director	7 October 2021	-
Prof. Teoh Swee Hin	Non-Executive Director	24 June 2019	-
Michael Keenan	Non-Executive Director	18 July 2023	-

*Non-independent Directors:*

Professor Teoh Swee Hin is a substantial shareholder and is therefore not an independent director.

Mark Leong is an executive director and is therefore a not an independent director.

*Independent Directors:*

Daniel Ow is an independent, non-executive director.

Michael Keenan is an independent, non-executive director.

**Recommendation 2.4**

Half of the Board members are non-independent. However, the Board considers that the technical expertise of the Directors is appropriate at this stage of the Company's operations.

**Recommendation 2.5**

Mark Leong is not an independent Chairman of the Board, as he is also an executive director.

**Recommendation 2.6**

Upon appointment to the Board new Directors are provided with Company policies and procedures and are provided an opportunity to discuss the Company's operations with senior management and the Board.

The Company encourages its Directors to participate in professional development opportunities presented to the Company and provides appropriate industry information to its Board members on a regular basis.

### **Principle 3: Act ethically and responsibly**

#### ***Recommendation 3.1***

The Company expects Directors, Officers and Employees to practice honesty, integrity and observe high standards of business and personal ethics and comply with all applicable laws and regulations in fulfilling their duties and responsibilities.

The Company's values are disclosed in the Code of Conduct policy.

#### ***Recommendation 3.2***

The Company is committed to promoting good corporate conduct grounded by strong ethics and responsibility. The Company has established a Code of Conduct (Code), which addresses matters relevant to the Company's legal and ethical obligations to its stakeholders. It may be amended from time to time by the Board.

The Code applies to all Directors, employees, contractors and officers of the Company. The Code will be formally reviewed by the Board each year.

#### ***Recommendation 3.3***

The Company has adopted a Whistleblower Policy which aims to encourage reporting of violations (or suspected violations) of the Company's Code of Conduct, or material legal or regulatory obligations, and to provide effective protection from victimisation and retaliation or dismissal to those reporting by implementing systems for confidentiality, anonymity and report handling.

Everyone working for the Company is expected to understand and comply with the Whistleblower Policy. Complaints made under the Whistleblower Policy which are regarded as serious and warrant investigation by the Responsible Officer are investigated as set out in the Policy. The Board is informed of material breaches or incidents reported under the Whistleblower Policy and the Board periodically reviews and makes changes to the Policy.

#### ***Recommendation 3.4***

The Company has an Anti-Bribery & Anti-Corruption Policy that applies to its employees, Directors, contractors, consultants, third parties and other persons associated with the Company's business operations.

All Company policies are aimed at conducting business that is fair, honestly, transparently, with integrity and in compliance with the law in all jurisdictions in which it operates. Acknowledging the potential for reputational damage if the Company is, or is alleged to be, involved in bribery or corruption, the Policy addresses:

- what may be deemed as forms of bribery and corruption;
- encourages a robust culture of integrity, transparency and compliance, which is critical to long term success and value preservation in the business;
- aims to safeguard and make transparent relationships with external parties in the context of receiving and giving hospitality, gifts and other financial benefits for legitimate purposes consistent with normal business practice; and
- prohibits bribes and improper payments, and places appropriate controls on gifts and donations.

Employees are trained in the policy and are responsible for reporting actual or suspected breaches of the Policy. All safeguards in terms of confidentiality, anonymity, ongoing support and protection in that Policy will apply in these circumstances. Any material breaches of the Anti-Bribery & Anti-Corruption Policy are reported to the Board. The Board periodically reviews and makes changes to the Policy.

## **Principle 4: Safeguard integrity in corporate reporting**

### ***Recommendation 4.1***

Due to the size of the Board, the Company does not have a separate Audit Committee. The roles and responsibilities of an audit committee are undertaken by the Board. The full Board in its capacity as the audit committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence of the external auditors. The duties of the full Board in its capacity as the audit committee are set out in the Company's Audit and Risk Management Committee Charter.

When the Board meets as an audit committee it carries out those functions which are delegated to it in the Company's Audit Committee Charter. Items that are usually required to be discussed by an Audit Committee are marked as separate agenda items at Board meetings when required.

The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises. Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Board.

The Board has adopted an Audit and Risk Management Committee Charter which describes the role, composition, functions and responsibilities of the Audit Committee.

### ***Recommendation 4.2***

Before the Board approves the Company financial statements for each financial period it will receive from the Chief Executive Officer and the Chief Financial Officer (or equivalent) a declaration that, in their opinion, the financial records of the Company for the relevant financial period have been properly maintained and that the financial statements for the relevant financial period comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and the consolidated 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.

### ***Recommendation 4.3***

Under section 250RA of the Corporations Act, the Company's auditor is required to attend the Company's annual general meeting at which the audit report is considered, and is to be represented by a person who is a suitably qualified member of the audit team that conducted the audit and is in a position to answer questions about the audit. Each year, the Company will write to the Company's auditor to inform them of the date of the Company's annual general meeting. In accordance with section 250S of the Corporations Act, at the Company's annual general meeting where the Company's auditor or their representative is at the meeting, the Chair will allow a reasonable opportunity for the members as a whole at the meeting to ask the auditor (or its representative) questions relevant to the conduct of the audit; the preparation and content of the auditor's report; the accounting policies adopted by the Company in relation to the preparation of the financial statements; and the independence of the auditor in relation to the conduct of the audit. The Chair will also allow a reasonable opportunity for the auditor (or their representative) to answer written questions submitted to the auditor under section 250PA of the Corporations Act.

## **Principle 5: Make timely and balanced disclosure**

### ***Recommendation 5.1***

The Company is committed to:

- (a) ensuring that shareholders and the market are provided with full and timely information about its activities;
- (b) complying with the continuous disclosure obligations contained in the Listing Rules and the applicable sections of the Corporations Act; and
- (c) providing equal opportunity for all stakeholders to receive externally available information issued by the Company in a timely manner.

The Company has adopted a Disclosure Policy. The Disclosure Policy sets out policies and procedures for the Company's compliance with its continuous disclosure obligations under the ASX Listing Rules, and addresses financial markets communication, media contact and continuous disclosure issues. It forms part of the Company's corporate policies and procedures and is available to all staff.

The Company Secretary manages the policy. The policy will develop over time as best practice and regulations change and the Company Secretary will be responsible for communicating any amendments. This policy will be reviewed by the Board annually.

### ***Recommendation 5.2***

Any announcement is first prepared by the appropriate executive officer of the Company and forwarded to the Board and Company Secretary for review, comments and approval prior to lodging with the ASX.

### ***Recommendation 5.3***

The Company lodges all presentations prior to any meeting with analysts. From time to time the Company will provide a Company Update which is lodged on the ASX platform ahead of the commencement of trading hours where possible.

## **Principle 6: Respect the rights of security holders**

### ***Recommendation 6.1***

The Company provides information about itself and its governance to investors via its website at <https://www.osteopore.com/investors#corp-governance>. The Company is committed to maintaining a Company website with general information about the Company and its operations and information specifically targeted at keeping the Company's shareholders informed about the Company. In particular, where appropriate, after confirmation of receipt by ASX, the following will be posted to the Company website:

- (a) relevant announcements made to the market via ASX;
- (b) media releases;
- (c) investment updates;
- (d) Company presentations and media briefings;
- (e) copies of press releases and announcements for the preceding three years; and
- (f) copies of annual and half yearly reports including financial statements for the preceding three years.

### ***Recommendation 6.2***

The Company has a Shareholder Communication Policy which aims to ensure that Shareholders are informed of all major developments of the Company.

Information is communicated to Shareholders via:

- (a) reports to Shareholders;
- (b) ASX announcements;
- (c) annual general meetings; and
- (d) the Company website.

This Shareholder Communication policy will be formally reviewed by the Board each year. While the Company aims to provide sufficient information to Shareholders about the Company and its activities, it understands that Shareholders may have specific questions and require additional information.

To ensure that Shareholders can obtain all relevant information to assist them in exercising their rights as Shareholders, the Company has made available a telephone number and relevant contact details (via the website) for Shareholders to make their enquiries.

### **Recommendation 6.3**

The Board encourages full participation of Shareholders at meetings to ensure a high level of accountability and identification with the Company's strategies and goals. However, due to the size and nature of the Company, the Board does not consider a policy outlining the policies and processes that it has in place to facilitate and encourage participating at meetings of shareholders to be appropriate at this stage.

### **Recommendation 6.4**

Decisions on all substantive resolutions at general meetings of the Company will be decided by a poll to ensure the true will of Shareholders is ascertained (rather than by a show of hands, which is inconsistent with the "one security one vote" principle in the ASX Listing Rules).

### **Recommendation 6.5**

Shareholders are given the option to receive communications from, and send communication to, the Company and its share registry electronically. To ensure that shareholders can obtain all relevant information to assist them in exercising their rights as shareholders, the Company has made available a telephone number and relevant contact details (via the website) for shareholders to make their enquiries.

## **Principle 7: Recognise and manage risk**

### **Recommendation 7.1**

Due to the size of the Board, the Company does not have a separate Risk Committee. The Board is responsible for the oversight of the Company's risk management and control framework.

When the Board meets as a risk committee is carries out those functions which are delegated to it in the Company's Audit and Risk Management Committee Charter. Items that are usually required to be discussed by a risk committee are marked as separate agenda items at Board meetings when required.

The Board has adopted an Audit and Risk Committee Charter which describes the role, composition, functions and responsibilities of the Audit and Risk Committee.

Responsibility and control of risk management is delegated to the appropriate level of management within the Company with the Chief Executive Officer having ultimate responsibility to the Board for the risk management and control framework.

The risk management system covers:

- (a) operational risk;
- (b) financial reporting;
- (c) compliance / regulations; and
- (d) system / IT process risk.

A risk management model is to be developed and will provide a framework for systematically understanding and identifying the types of business risks threatening the Company as a whole, or specific business activities within the Company.

### **Recommendation 7.2**

The Board will review the Company's risk management framework annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the Company faces and to ensure that the Company is operating within the risk appetite set by the Board.

Arrangements put in place by the Board to monitor risk management include, but are not limited to:

- (a) monthly reporting to the Board in respect of operations and the financial position of the Company; and
- (b) quarterly rolling forecasts prepared.

The Company's risks have been discussed amongst the Board throughout the financial year to date. An evaluation of the Company's risk is reviewed at every board meeting.

***Recommendation 7.3***

The Company does not currently have an internal audit function however, the Company will consider establishing an internal audit function in the future should the need arise.

The Company monitors, evaluates and improves its risk management and internal control processes in line with the processes set out in its Audit and Risk Management Committee Charter. The Board performs a review at every board meeting.

***Recommendation 7.4***

Any exposure to economic, environmental, social sustainability and any other risks are disclosed periodically, and as otherwise required, by the Company in its Quarterly, Half-Yearly and Annual Reports to ASX and regular ASX announcements regarding the Company's project.

The Board continues to monitor and review the risks and its exposure at every board meeting.

**Principle 8: Remunerate fairly and responsibly**

***Recommendation 8.1***

Due to the size of the Board, the Company does not have a separate remuneration committee. The roles and responsibilities of a remuneration committee are currently undertaken by the Board.

The duties of the full board in its capacity as a remuneration committee are set out in the Company's Remuneration and Nomination Committee Charter.

When the Board meets as a remuneration committee is carries out those functions which are delegated to it in the Company's Remuneration and Nomination Committee Charter. Items that are usually required to be discussed by a Remuneration Committee are marked as separate agenda items at Board meetings when required.

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

***Recommendation 8.2***

Details of the Company's policies on remuneration of non-executive directors, executive directors and senior executives are set out in the Company's "Remuneration Report" in each Annual Report published by the Company.

***Recommendation 8.3***

The Company maintains a Securities Trading Policy which restricts the permission for employees and directors to enter transactions which limit the economic risks associated with the participation in the Company's equity based incentive scheme.

**Security Trading Policy**

In accordance with ASX Listing Rule 12.9, the Company has adopted a trading policy which sets out the following information:

- (a) closed periods in which directors, employees and contractors of the Company must not deal in the
- (b) Company's securities;
- (c) trading in the Company's securities which is not subject to the Company's trading policy; and
- (d) the procedures for obtaining written clearance for trading in exceptional circumstances.

The Company's Security Trading Policy is available on the Company's website.