

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT														
	Recommendation	BluGlass Limited Current Practice												
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.	<i>Complies.</i> The Board Charter is available at www.bluglass.com in the Corporate Governance Plan.												
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.	<i>Complies.</i>												
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<i>Complies.</i>												
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.	<i>Complies.</i>												
1.5	A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	<i>Complies.</i> Refer to Annexure 7 of the Corporate Governance Plan which is available at www.Bluglass.com The respective proportions of men and women on the Board, in senior executive positions and across the whole organisation are: <table border="1"> <thead> <tr> <th></th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>Board</td> <td>100%</td> <td>0%</td> </tr> <tr> <td>Senior Executive</td> <td>100%</td> <td>0%</td> </tr> <tr> <td>Whole Organisation</td> <td>80%</td> <td>20%</td> </tr> </tbody> </table>		Male	Female	Board	100%	0%	Senior Executive	100%	0%	Whole Organisation	80%	20%
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1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	<i>Complies.</i> Refer to Section 5 Board processes and evaluation of performance of the Corporate Governance Plan which is available at www.bluglass.com . The Company conducted its performance evaluation in accordance with its established process during the period.												
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	<i>Complies.</i> Refer to Section 5 Board processes and evaluation of performance of the Corporate Governance Plan which is available at www.bluglass.com . The Company conducted its performance evaluation in accordance with its established process during the period.												

PRINCIPLE 2 – STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE		
	Recommendation	BluGlass Limited Current Practice
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	<i>Complies.</i> Due to its size, the Board has determined that the function of the Nomination and Remuneration Committee is most efficiently carried out with full Board participation and accordingly, the Board has elected not to establish a separate Nomination and Remuneration Committee. A copy of the Nomination and Remuneration Committee Charter is contained in Annexure 6 of the Corporate Governance Plan which is available at www.bluglass.com The Board devotes time at Board meetings on at least an annual basis to discuss Board succession issues. Where appropriate, all members of the Board are involved in the Company's nomination process.
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	<i>Complies.</i> The Company had developed a Board Skills Matrix which is used as a tool to assess the appropriate and ideal balance of skills, experience, independence and diversity necessary for the Board to discharge its duties and responsibilities effectively. A summary of the Board Skills Matrix is available at www.bluglass.com in the Corporate Governance Section. The Company also lists the experience and skills of its board in the Annual Report. See Information on Directors from Page 8.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE		
	Recommendation	BluGlass Limited Current Practice
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.	<i>Complies.</i> Refer to the "Information on Directors" Section on page 8 in the Annual Report.
2.4	A majority of the board of a listed entity should be independent directors.	<i>Complies.</i> The Board comprises four non-executive Directors and three of whom are considered to be independent.
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.	<i>Does not currently comply.</i> As at 30 June 2023, the Chair of the Board was not the CEO however, James Walker is not considered to be an independent director due to his previous role as Executive Chair.
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.	<i>Complies.</i> Refer to Annexure 1 of the Corporate Governance Plan which is available at www.bluglass.com .

PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY		
	Recommendation	BluGlass Limited Current Practice
3.1	A listed entity should articulate and disclose its values.	<i>Complies.</i> Refer to the Corporate Governance Plan which is available at www.bluglass.com .
3.2	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.	<i>Complies.</i> Refer to Annexure 2 of the Corporate Governance Plan which is available at www.bluglass.com .
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.	<i>Complies.</i> Refer to Annexure 9 of the Corporate Governance Plan which is available at www.bluglass.com .
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.	<i>Complies.</i> Refer to Annexure 10 of the Corporate Governance Plan which is available at www.bluglass.com .

PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS		
	Recommendation	BluGlass Limited Current Practice
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	<i>Complies.</i> Refer to Annexure 5 of the Corporate Governance Plan which is available at www.bluglass.com . The Audit Committee has three members, all of whom are independent Directors. The Committee is Chaired by Mr Vivek Rao, a non-executive independent director. The experience of each of the directors is set out as per the "Information on Directors" Section in the Annual Report. Refer to the Directors' Report contained in the Annual Report for number of meetings attended during the financial year.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS		
	Recommendation	BluGlass Limited Current Practice
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.	<i>Complies.</i>
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.	<i>Complies.</i> 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.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE		
	Recommendation	BluGlass Limited Current Practice
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<i>Complies.</i> Refer to Annexure 8 of the Corporate Governance Plan which is available at www.bluglass.com .
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<i>Complies.</i>
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.	<i>Complies.</i>

PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS		
	Recommendation	BluGlass Limited Current Practice
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<i>Complies.</i>
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<i>Complies.</i>
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<i>Complies.</i> Refer to Annexure 8 of the Corporate Governance Plan which is available at www.bluglass.com .
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.	<i>Complies.</i>
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.	<i>Complies.</i>

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK		
	Recommendation	BluGlass Limited Current Practice
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	<i>Complies.</i> Refer to Annexure 5 of the Corporate Governance Plan which is available at www.bluglass.com . The Audit and Risk Committee has three members, all of whom are independent Directors. The Committee is Chaired by Mr Vivek Rao, a non-executive independent director. Refer to the Directors' Report contained in the Annual Report for number of meetings attended during the financial year.
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	<i>Complies.</i> Refer to Annexure 4 of the Corporate Governance Plan which is available at www.bluglass.com . The Audit and Risk Committee has reviewed the risk management framework during the reporting period.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK		
	Recommendation	BluGlass Limited Current Practice
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	<i>Complies.</i> The Company does not have an internal audit function in place. The CEO and CFO in conjunction with the Audit and Risk Committee and the external auditors (in conjunction with annual and half year audit) periodically undertake an evaluation of the Company's internal controls processes and the effectiveness of its risk management processes.
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.	<i>Complies.</i> The Board considers it has moderate exposure to environmental risks and the Board addresses the key risks affecting the Company via its audit and risk management function. The Company maintains a risk register that is the subject of annual review. The Company has disclosed its material business risks in the Annual Report.

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY		
	Recommendation	BluGlass Limited Current Practice
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	<i>Complies.</i> Due to its size of the Board and scale of the Company's operations, the Board has determined that the function of the Nomination and Remuneration Committee is most efficiently carried out with full Board participation and accordingly, the Board has elected not to establish a separate Nomination and Remuneration Committee. A copy of the Nomination and Remuneration Committee Charter is contained in Annexure 6 of the Corporate Governance Plan which is available at www.bluglass.com .
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.	<i>Complies.</i> Refer to Annexure 6 of the Corporate Governance Plan which is available at www.bluglass.com . Refer to the Remuneration Report contained in the Directors' Report of the Annual Report.
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	<i>Complies.</i> Refer to Annexure 3 of the Corporate Governance Plan which is available at www.bluglass.com .

VISION AND VALUE STATEMENT

VISION

Powering a brighter future through lower temperature RPCVD – enabling tomorrow's smarter, cleaner and more efficient photonics

VALUE STATEMENT

BluGlass is an Australian semiconductor technology developer commercialising a breakthrough semiconductor technology called RPCVD in the global laser diode, LED and microLED industries. BluGlass' patented hardware and processes offer semiconductor nitride manufacturers a cleaner, safer manufacturing process, while also offering more efficient devices at lower cost.

Our team is guided by a set of core values. Our goal is for all our decisions and actions to reflect these principles. We believe that putting our values into practice benefits our shareholders, customers, partners, employees and the communities that we serve.

INNOVATION – Science and innovation is at the heart of everything we do at BluGlass – where making the impossible, possible is part of our job description. We strive to help the world's best photonics leaders drive the technologies and solutions of tomorrow. We have earned a reputation for helping our customers and partners solve complex, incumbent problems with our unique nitride growth technology, protected by our growing international patent portfolio.

INTEGRITY – BluGlass strives to act with integrity, transparency, and commitment in all our interactions with our valued shareholders, collaborators, suppliers and customers. With our stringent quality control processes, we aim to be recognised as a trusted industry partner and supplier of products and solutions.

IMPACT – The innovations BluGlass and our customers are pioneering are set to have meaningful impact on the global economy and environment as the world transitions to smarter, cleaner and lighter footprint technologies. BluGlass strives to positively impact through pioneering innovation, global commercialisation, and by delivering increasingly energy efficient technologies – reduced carbon emissions. Together this will create significant benefit for our shareholders, our customers, our industry; and the environment we live in.

INCLUSION – The best innovation happens when great and diverse minds work together. BluGlass is a place where everyone, regardless of gender, race, background and sexuality has a seat at the table and where all of our team, regardless of hierarchy, are encouraged and supported to share ideas, solutions and think outside the box. BluGlass is also a collaborative business, working with the world's best technology leaders and research institutions as we help drive the technologies of tomorrow.