



BluGlass Limited – Corporate Governance Statement

1. General

The Company's corporate governance framework has been formulated in light of the principles and recommendations released by the Australian Stock Exchange Corporate Governance Council, ("The ASX Recommendations"). The Company's framework largely complies with these recommendations. Consistent with the Company's approach to sound corporate governance, opportunities for improvement are regularly considered.

The Directors are responsible to shareholders for the performance of the Company and their focus is to enhance the interests of shareholders and other key stakeholders and to ensure the Company is properly managed.

The main processes that the directors of the Company use in doing so are set out in this statement.

2. Value and Vision Statement

The Company has adopted a Vision and Value Statement to define the type of organisation it aspires to be and what it requires from directors, senior executives and employees to achieve that aspiration:

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 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 technology approach, 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 technologies 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.

3. Board Composition

The Company's Constitution requires that the minimum number of Directors is 3.

Membership of the Board currently comprises:

- 3 non executive Directors (including the Chairman), being independent Directors (as to “independence” see section 5 below); and
- 1 Executive Director, being the Managing Director

Directors are subject to retirement by rotation and election by shareholders at a general meeting. No Director may remain on the Board for more than three years without re-election. Where a Director is appointed during the year that Director will hold office until the next Annual General Meeting and then be eligible for re-election.

When considering Board vacancies, Directors take into account the candidate's capacity to enhance the mix of skills and experience of the Board and to contribute to the ongoing development of the Company.

Prior to the appointment of a Director or putting forward to security holders a candidate for election, as a director, the Company undertakes appropriate checks before appointing a person, and provides security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

4. Board's Role and Responsibilities

The Board is committed to maximising performance, generating appropriate levels of shareholder value and financial return.

The general responsibilities of the Board are:

- Protection and enhancement of shareholder value
- Formulation, review and approval of the objectives and strategic direction of the Company
- Monitoring the financial performance of the Company by reviewing and approving budgets and monitoring results
- Approving all significant business transactions including acquisitions, divestments and capital expenditure
- Ensuring that adequate internal control systems and procedures exist and that compliance with these systems and procedures is maintained
- The identification of significant business risks and ensuring that such risks are adequately managed
- Evaluation of potential business development opportunities
- The review of performance and remuneration of executive directors and staff
- Ensuring there is an effective Corporate Governance structure and practice in place.
- Ensuring the integrity in financial reporting. Please refer to board committees section below.
- Ensuring the Company's Code of Conduct (**Annexure 2**) and other policies are adhered to, to promote ethical and responsible decision making.
- Ensuring that an appropriate policy is in place regarding trading of the Company's shares by employees of the Company (**Annexure 3**).
- Ensuring that an appropriate policy is in place regarding the recognition and management of the Risks facing the Company (**Annexure 4**).
- Ensuring that all aspects of executive and non executive remuneration, including the design and implementation of all incentive option schemes, the assessment, nomination and recruitment of potential board members, recommendations of the appointment and removal of members of the Board, review of board succession plans, and the evaluation of the board's performance. To assist in the performance of this function the Board has adopted a Nomination and Remuneration Charter (**Annexure 6**) and will use this Charter to guide its role in relation to nomination and remuneration matters.
- Ensuring that appropriate policies and procedures are in place to ensure compliance with applicable laws.

Annexure 1 outlines the specific roles of the board, the Chairman and the CEO.

5. Board processes

The Board currently schedules a minimum of 6 meetings per year. In addition, the Board meets whenever necessary to deal with specific matters needing attention between the scheduled meetings. Extraordinary meetings take place at such other times as may be necessary to address any specific significant matters that may arise.

The agenda for meetings is prepared by the Company Secretary in conjunction with the Chairperson and Chief Executive Officer, with periodic input from the Board. Board papers are distributed to directors in advance of scheduled meetings.

The company secretary is accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.

Board processes and evaluation of performance

The Board currently schedules a minimum of 6 meetings per year. In addition, the Board meets whenever necessary to deal with specific matters needing attention between the scheduled meetings. Extraordinary meetings take place at such other times as may be necessary to address any specific significant matters that may arise.

The agenda for meetings is prepared by the Company Secretary in conjunction with the Chairman, with periodic input from the Board. Board papers are distributed to Directors in advance of scheduled meetings.

Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director.

It is recognised and accepted that Board members may also concurrently serve on other boards, either in an executive or non-executive capacity.

Due to the current size of the Company and its level of activity, the Board is currently responsible for the evaluation of its performance and the performance of individual Directors. This internal review is to be conducted on an annual basis and if deemed necessary this internal review will be facilitated by an independent third party.

The review will include:

- a. comparing the performance of the Board with the requirements of its Charter;
- b. examination of the Board's interaction with management;
- c. the nature of information provided to the Board by management; and
- d. management's performance in assisting the Board to meet its objectives.
- e. a critical review of the mix of skills, experience and diversity of the Board;
- f. consideration of any opportunities for professional development and training which may improve the performance of the Board and its individual members.

A similar review may be conducted for each Committee by the Board with the aim of assessing the performance of each Committee and identifying areas where improvements can be made.

Executive Team

The Chairman will oversee the evaluation of the remuneration of the Company's senior executives, including the Managing Director. To assist in this process an independent advisor may be used.

Performance Evaluations of senior executives are based on specific pre defined KPI's, including the business performance of the Company and its subsidiaries, whether strategic objectives are being achieved and the development of management and personnel.

Disclosure

The Company must disclose, in relation to each financial year, whether or not the relevant annual performance evaluations of the Board, committees, individual directors and senior management have been conducted in accordance with the above processes.

6. Independence of Board Members

The Board regularly assesses the independence of each of the 4 Directors based on the interests and associations disclosed by them, in line with the ASX best practice guidelines on independence, which are listed below.

Currently the 3 non executive directors are deemed to be independent.

ASX Recommendation 2.4 states that a majority of the Board should be independent directors. In assessing the makeup of the Board, the Company aims for its Directors to be independent in thought and judgement, as well as expecting the Directors to add value to the company. This board structure will be reviewed at the appropriate stages of the Company's development.

Assessing the independence of directors - The ASX guidelines

An independent director is a non-executive director (i.e. is not a member of management) and:

1. is not a substantial shareholder of the company or an officer of, or otherwise associated directly with, a substantial shareholder of the company;
2. within the last three years has not been employed in an executive capacity by the company or another group member, or been a director after ceasing to hold any such employment;
3. within the last three years has not been a principal of a material professional adviser or a material consultant to the company or another group member, or an employee materially associated with the service provided;
4. is not a material supplier or customer of the company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;

5. has no material contractual relationship with the company or another group member other than as a director of the company;
6. has not served on the board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the company;
7. is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the company.

7. Resources available to the Board

Directors have the right of access to Company employees, advisers and records.

In relation to their duties and responsibilities, Directors have the right to seek independent professional advice at the Company's expense provided that before the advice is obtained, the Director discusses the requirement for the advice with the Chairperson. Any advice so received must be made available to all other directors.

Where the Chairperson wishes to seek independent advice, she or he must make a formal request to the Board. Any advice so received must be made available to all other directors.

The Company has entered into Deeds of Access and Indemnity with each Director giving them a right of access to all documents that were presented to meetings of the Board or to any committee of the Board or otherwise made available to the director whilst in office. This right continues for a term of seven years after ceasing to be a director or such longer period as is necessary to determine relevant legal proceedings that commenced during that term.

8. Remuneration of non-executive Directors

The ASX Listing Rules state that the maximum aggregate remuneration for non-executive Directors must be fixed and can be varied only at a general meeting. The maximum aggregate remuneration of \$600,000 per annum was approved by shareholders at a general meeting.

Fees paid to non executive directors have superannuation contributions deducted as applicable as required by Commonwealth legislation. The Company pays no other retirement benefits to Directors

9. Board Committees

The Board has established one other committee, being an Audit and Risk Management Committee.

Audit and Risk Management Committee

The audit and risk management committee will be central to the Company's process to ensure integrity in financial reporting and to ensure the Company address the material risks to its business and reputation. The Audit and Risk Management Committee will have at least 3 members and will adopt its own Charter setting out the roles, responsibilities and objectives of the committee.

The external auditors, the CEO, CFO and other officers of the company may attend meetings of the Committee by invitation.

Grant Thornton has been appointed as external auditor to Bluglass. Section 324DA of the *Corporations Act 2001* prescribes a limited term for eligibility of persons playing a significant role in the audit of a listed company. The Audit and Risk Management Committee is responsible for the selection and recommendation of the company's external auditor. The Audit and Risk Management Committee has recommended the external audit service be put to tender on a tri-annual basis. Further that in the event the external auditor is retained post 3 years that the engagement partner be rotated on a 5year basis.

The external auditors have direct access to the Chairman of the Audit and Risk Management Committee and where necessary, the Chairperson of the Board. The Audit and Risk Management Committee meets with the external auditors without management present on an as required basis, but at least once a year.

The external auditor attends the Annual General Meeting and is available to answer questions from shareholders.

Due its size and nature of activities, the Company does not have an internal audit function. The CEO and CFO in conjunction with the external auditors (in conjunction with annual and half year audit) undertake an evaluation of the Company's internal controls processes and the effectiveness of its risk management processes.

The Audit and Risk Management Committee charter is provided in **Annexure 5**.

10. Risk Management

The Company has a risk management program that is reviewed by the Audit and Risk Committee and approved by the Board. The program is designed to ensure risks (strategic, operational, legal, reputational and financial) are identified, assessed, addressed and monitored to enable the Company to achieve its business objectives.

The Company's risk management program is managed by the CEO and the CFO. The Board receives regular monthly reports on progress in addressing the risks. The Audit and Risk Committee has the right to appoint external professional advisers to carry out regular investigations into control mechanisms and report their findings, including recommendations for improvement to controls, processes and procedures, to the Audit and Risk Committee.

The Risk Management Policy is provided in **Annexure 4**.

11. Indemnities

The Directors are indemnified under Deeds against liability in the fulfilment of their duties except for when an indemnity is not allowed under Section 199A of the Corporations Act, being:

1. A liability owed to the Company or a related body corporate;
2. A liability for pecuniary penalty order under section 1317G or a compensation order under section 1317H or 1317HA of the Corporations Act;
3. A liability owed to someone other than the Company or a related body corporate and did not arise out of conduct in good faith.

The Company also carries a Directors and Officers insurance policy. Bluglass Ltd or a related body will not pay a premium for a contract insuring an officer or auditor against a liability arising out of:

1. Conduct involving a wilful breach of duty in relation to the Company; or
2. A contravention of section 182 or 183 of the Corporations Act.

12. Code of Conduct

The Code was adopted to reflect current business and community expectations.

In summary, the Code requires that at all times Directors and employees act with the integrity, objectivity and in compliance with the letter and spirit of the law and Company policies.

The Code requires employees who are aware of unethical practices within the Company to report these using the avenues available under the Corporate Governance manual. Employees have direct access to the Executive Directors or, if this would cause a conflict, the Chairman of the Board.

The Company's Code of Conduct is provided in **Annexure 2**.

13. Dealings in Bluglass Limited's securities by Directors and employees

Directors and officers of the Company are prohibited from trading in Bluglass Limited securities during specified **closed periods**. Those periods are:

- a. from two weeks prior to the end of the half year (31 December) until 24 hours after the release of the half year results announcement; and
- b. from two weeks prior to the end of the financial year (30 June) until 24 hours after the full year results announcement.

Directors and officers are also subject to the provisions of the Corporations Act relating to conduct by a person in possession of inside information. A person possesses inside information, if they know, or ought to reasonably know, that if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of Bluglass Limited's securities.

Directors, officers and employees in possession of inside information are prohibited from trading in Bluglass Limited's securities.

More detail on Bluglass Limited's Employee Share Trading Policy is provided in **Annexure 3**.

14. Continuous disclosure and shareholder communication

The Company Secretary is responsible for communication with the Australian Stock Exchange (ASX). This includes ensuring compliance with the continuous disclosure requirements in the ASX listing rules and overseeing information disclosure to analysts, brokers, shareholders, the media and general public.

In addition to the ongoing role of monitoring information for Continuous Disclosure purposes, the board formally considers this issue at each board meeting to ensure ongoing compliance and facilitation of information to shareholders

All information disclosed to the ASX is posted on the Company's website as soon as practicable after it is disclosed to the ASX. Material used to brief analysts on the Company's operations is released to the ASX when it provides new information and all presentation material is posted on the website.

If required, Company announcements, annual and half-year reports and AGM presentations are available by request to the Company Secretary and able to be provided in electronic format.

The Company will also request that its independent auditors be present at the Annual General Meeting to answer any questions from shareholders.

The Company encourages the participation of its shareholders at the Company's Annual General Meeting by ensuring adequate notice is provided to all shareholders and that the proposed meeting is held at an appropriate location and convenient time.

The Company gives security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

A copy of the Company's Communication Policy is provided in **Annexure 8**

15. Diversity Policy

The Company recognises that a diverse and talented workforce is a competitive advantage and that the Company's success is the result of the quality and skills of our people. Our policy is to recruit and manage on the basis of qualification for the position and performance, regardless of gender, age, nationality, race, religious beliefs, cultural background, sexuality or physical ability.

A copy of the Company's Diversity Policy is provided in **Annexure 7**.

16. Whistle-blower Policy

A copy of the Company's Whistle-blower Policy is provided in **Annexure 9**.

17. Corruption and Anti Bribery Policy

A copy of the Company's Corruption and Anti Bribery Policy is provided in **Annexure 10**.

ANNEXURE 1 – SPECIFIC ROLES OF THE BOARD, CHAIRMAN AND CEO

ROLE OF THE BOARD

The fundamental role of the board is to:

- Monitor all aspects of the company's performance, ensuring that this performance is in shareholder's interests and is meeting agreed goals and objectives;
- Improve the performance of the company through strategy formulation and policy making.

Annual

- Setting and reviewing
 - vision and mission
 - goals (short, medium and long term)
 - strategy
- Approving the annual strategic plan and major operating plans
- Approving the annual budget.
- Reviewing and providing feedback on the performance of the CEO.
- Reviewing the performance of the Board, the individual Directors and the committees every year.
- Reviewing/approving the full-year financial statements and reports and profit and dividend announcement
- Approving the annual report and notice of AGM.

Half-year

- Reviewing/approving the half-year financial statements and reports and profit and dividend announcement.

Quarterly

- Reviewing/approving the quarterly cash flow/cash position statements for announcement, so long as those statements are required to be lodged with ASX.

Monthly

- Reviewing performance of the company in meeting objectives, including presentations on key areas for success, as determined by the Board.
- Consider reports and recommendations from committees.

Ad hoc

- Determine all policies governing the company and ensuring that adequate procedures are in place to manage the identified risks.

- Appointing and approving the terms and conditions of appointment of the CEO and CFO.
- Approving the terms and conditions of appointment of all other persons reporting to the CEO.
- Establish and determine powers and functions of committees and reviewing those powers and functions every 2 years or as circumstances demand
- Approving
 - capital expenditures in excess of \$20,000
 - operational expenditure outside the budget in excess of \$20,000
 - mergers, acquisitions and disposals of businesses
 - all property acquisitions and disposals
 - leases, in excess of 1 year term
 - sale/licensing of trade marks, patents
 - borrowings in excess of \$50,000
- Ensuring procedures are in place so that the share market is promptly and adequately informed of all material matters.
- Decisions on the following matters in relation to the Board –
 - the appropriate size, composition and terms and conditions of appointment to and retirement from the board. For the level of remuneration for non-executive directors, the committee will have regard to practices of other public companies, external professional advice, if considered necessary, and the aggregate amount of fees approved by shareholders
 - the appropriate criteria for board membership
 - reviewing the membership of the board and, when necessary, considering candidates for appointment to the board.
- Developing and maintaining a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

ROLE OF THE CHAIRMAN

Vision/mission statement/strategy

- Ensure the Board shows leadership in setting, reviewing and achieving the vision and strategy of the company.

Board meetings

- Agree the agenda in consultation with the CEO and Company Secretary to ensure appropriate time is allowed for discussion on both strategic issues, operational issues and compliance issues
- Ensure the Board receive all necessary information to enable effective decision making

- Chair Board meetings and ensure that they are validly convened, a quorum is present, all Directors have a fair opportunity to participate, the minutes are signed confirming their correctness and the meeting is declared closed
- Deal with any conflicts that arise, address differences of opinion and ensure contrary votes are recorded, if so required
- Ensure Directors with material personal interests in a matter leave the meeting while the matter is discussed, unless a resolution has been passed by the non-interested Directors allowing the interested Director to remain in the meeting and participate in discussions and/or vote on the matter

Annual general meetings

- Chair the meeting and ensure that the shareholders as a whole have an opportunity to speak on matters relevant to the management of the company
- Ensure the audit partner is present at the AGM and available to answer questions in accordance with the *Corporations Law*.

Committee meetings

- Attend committee meetings in accordance with membership of such committees.

External contact

- Be spokesperson in respect of the performance and profit figures with the CEO and any board-related matters, if appropriate.

CEO

- Be the primary point of contact between the Board and CEO.
- Be kept fully informed of all major matters of relevance to Directors, by the CEO and other senior executives
- Undertake the performance appraisal process of the CEO
- Provide mentoring for the CEO.

Board

- Initiate the process of Board, committee and Director performance appraisal
- Ensure the agreed composition of the Board is maintained or initiate action
- Ensure Director Induction plans are in place.
- Ensure Directors are informed of significant changes to the company's business environment and relevant changes to legislation.
- Ensure new Directors are properly inducted.

Other

- Carry out other duties as requested by the Board from time to time.

Role of the Managing Director (or CEO as case may be)

Vision/mission statement/strategy

- Formulate with the Board the vision, mission statement and strategy, and initiate reviews, as appropriate
- Develop actions with the management team to achieve the vision and implement the strategy
- Report to the Board regularly on the company's progress against the vision and strategy.

Management team and employees

- Negotiate terms and conditions of appointment of senior executives for approval, where necessary, by the Board
- Develop succession plan and senior executives' development programs and evaluate performance of senior executives
- Approve general conditions of employment of all other staff members
- Provide strong leadership to the management team and ensure all employees understand the vision and strategy and their part in its achievement
- Ensure procedures and training are in place to provide a safe work environment
- Ensure employees are educated on legal requirements and company policies such that compliance is the culture and a high level of ethical behaviour is expected.

Board

- Ensure all matters requiring review or approval by the Board are brought to the Board with adequate information and time to allow proper consideration of such matters
- Advise the Board of any significant change in the risk profile of the company together with actions taken or proposed, in a timely manner
- Provide, with the CFO (or equivalent), certification to the Board on the fairness of the financial statements annually and half-yearly and the adequacy of the policies and procedures in place as regards management of risk, and internal controls
- Report to the Board on a monthly basis the performance of the business against budgets and the projected performance against the budget going forward.
- Ensure all presentations on matters agreed with the Board are made on a timely and in an informative manner
- Ensure Directors are continually educated on the business of the company, the environments in which it operates, changes in legal obligations and developments in corporate governance best practice.

External Stakeholders

Liaison with all relevant stakeholders from time to time.

Delegated authority

The CEO has the following delegated authority as approved by the Board:

- Capital expenditure \$10,000
- Operational expenditure outside of budget \$10,000
- Leases - period of 1 year or less
- Sale of assets – value and proceeds <\$20,000
- Appointment and termination of employees, except those reporting to the CEO.

Management

- All other matters necessary for the day-to-day management of the company.

Annexure 2 - Code of Conduct

Bluglass Limited is committed to the highest standards of business conduct. It is important that all of us at Bluglass Limited observe the highest standards of ethics, integrity and behaviour. This Code of Conduct outlines the standards of behaviour everyone at Bluglass Limited including Directors, employees, consultants and contractors, must meet.

Business and Personal Conduct

- We always act with honesty and integrity.
- We avoid conflicts of interest.
- We protect confidential and proprietary information.
- We treat others equitably and with courtesy, trust, dignity, respect and fairness.

Adherence to the Law

As part of the company's commitment to being a good corporate citizen, everyone at Bluglass Limited complies with all legislation and codes that govern its business.

- We are committed to implementing any directives of the company which aid it in complying with legal requirements.
- If we become aware of any potential or actual breaches of a law by the company, we will report it to our managers immediately.

Conflicts of Interest

We will avoid circumstances that could compromise our ability to act with objectivity and exercise independent judgment.

- We will not have a direct or indirect personal financial interest in any business transaction involving the company or competing with the company without disclosing it and obtaining an appropriate level of approval.
- We will not direct or divert business away from the company to any other party.
- We will take care that relationships we may form with people while conducting business on the company's behalf do not lead to a situation in which impartiality or allegiances could be or appear to be compromised.
- We will make sure that all transactions with all suppliers, customers and others doing business with Bluglass limited are conducted in a completely transparent and arms length manner without favour or preference based upon any personal considerations.

Ethical Standards

Bluglass Limited is committed to fostering a climate of ethical behaviour and business practice. Key issues which we will consider when making any decision on the company's behalf are:

- Is it the right thing to do?

- Is the decision or contemplated business conduct lawful?
- Is it consistent with company policy?
- What will be the outcome for the company, shareholders, colleagues and other stakeholders?
- Does a conflict of interest arise?
- Is the decision one that would stand public examination and scrutiny?

Gratuities

- We do not accept any substantial gifts such as trips away, anything which put us in a position of significant financial gain, or an item worth a significant amount of money, eg cameras, laptops, mobile phone and so on, in the course of conducting business on the company's behalf.

Confidentiality

- We will not disclose or use any confidential information that we obtain, unless we have been authorised to do so.

Health and Safety

- The safety of all our people is of paramount concern to all of us at Bluglass Limited and we will do all we can to maintain a safe working environment.
- We will always have regard to matters of Health & Safety and observe all relevant law and regulations, and apply responsible standards.
- If we become aware of any potential threat to anyone's health & safety, we will report it immediately.
- We will always act in an environmentally responsible way.

Internal Controls

- We will not approve or make any payment on the company's behalf except in accordance with board-approved delegations, or with the intention that it is to be used or applied for a purpose other than what appears in the documents supporting the payment.
- We will not establish undisclosed or unrecorded funds or assets for any purpose.
- We will not make false or misleading entries in any books or records of the company.

Harassment and Discrimination

- We are committed to providing all employees with a harmonious equal opportunity working environment free of harassment or discrimination.

Any one breaking this code will be subject to disciplinary action which may, depending on the circumstances, include dismissal proceedings.

Annexure 3 – Guidelines for Buy and Selling Securities

1.0 Introduction

These guidelines set out the policy on the sale and purchase of securities in the Company by its Directors and employees.

Directors of the Company and employees are encouraged to be long-term holders of the Company's securities. However, it is important that care is taken in the timing of any purchase or sale of such securities.

The purpose of these guidelines is to assist Directors and employees to avoid conduct known as 'insider trading'. In some respects, the Company's policy extends beyond the strict requirements of the Corporations Act.

2.0 What types of transactions are covered by this policy?

This policy applies to both the sale and purchase of any securities of the Company and its subsidiaries on issue from time to time.

3.0 What is insider trading?

3.1 Prohibition

Insider trading is a criminal offence. It may also result in civil liability. In broad terms, a person will be guilty of insider trading if:

- a. that person possesses information which is not generally available to the market and, if it were generally available to the market, would be likely to have a material effect on the price or value of the Company's securities (ie, information that is 'price sensitive');
- b. and that person:
 1. buys or sells securities in the Company; or
 2. procures someone else to buy or sell securities in the Company; or
 3. passes on that information to a third party where that person knows, or ought reasonably to know, that the third party would be likely to buy or sell the securities or procure someone else to buy or sell the securities of the Company.

3.2 Dealing through third parties

A person does not need to be a Director or employee of the Company to be guilty of insider trading in relation to securities in the Company. The prohibition extends to dealings by Directors and employees through nominees, agents or other associates, such as family members, family trusts and family companies (referred to as "Associates" in these guidelines).

3.4 Information however obtained

It does not matter how or where the person obtains the information – it does not have to be obtained from the Company to constitute inside information.

3.5 Employee share schemes

The prohibition does not apply to acquisitions of shares or options by employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme. However, the prohibition does apply to the sale of shares acquired under an employee share scheme and also to the sale of shares acquired following the exercise of an option granted under an employee option scheme.

4.0 Guidelines for trading in the Company's securities

4.1 General rule

Directors and employees of the Company are prohibited from trading in Bluglass Limited securities during specified closed periods. Those periods are:

- a. from two weeks prior to the end of the half year (31 December) until 24 hours after the release of the half year results announcement; and
- b. from two weeks prior to the end of the financial year (30 June) until 24 hours after the full year results announcement.

However, if a Director or employee of the Company is in possession of price sensitive information which is not generally available to the market, then he or she must not deal in the Company's securities at **any** time.

4.2 No short-term trading in the Company's securities

Directors and employees should never engage in short-term trading of the Company's securities except for the exercise of options where the shares will be sold shortly thereafter.

4.3 Secured Financing Arrangement

Directors and employees are prohibited from the use of margin lending or other secured financing products in relation to securities they hold in the Company.

4.4 Securities in other companies

Buying and selling securities of other companies with which the Company may be dealing is prohibited where an individual possesses information which is not generally available to the market and is 'price sensitive'. For example, where an individual is aware that the Company is about to sign a major agreement with another company, they should not buy securities in either the Company or the other company.

4.5 Exceptions

Directors and all employees may at any time:

- a) acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;
- b) acquire Company securities under a bonus issue made to all holders of securities of the same class;
- c) acquire Company securities under a dividend reinvestment, or top-up plan that is available to all holders or securities of the same class;
- d) acquire, or agree to acquire or exercise options under a Company Share Option Plan;
- e) withdraw ordinary shares in the Company held on behalf of the employee in an employee share plan where the withdrawal is permitted by the rules of that plan;
- f) acquire ordinary shares in the Company as a result of the exercise of options held under an employee option scheme;
- g) transfer securities of the Company already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
- h) make an investment in, or trade in units of, a fund or other scheme (other than a scheme only investing in the securities of the Company) where the assets of the fund or other scheme are invested at the discretion of a third party;
- i) where a restricted person is a trustee, trade in the securities of the Company by that trust provided the restricted person is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of the restricted person;
- j) undertake to accept, or accept, a takeover offer;
- k) trade under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- l) exercise (but not sell securities following exercise) an option or a right under an employee incentive scheme, or convert a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a prohibited period and the Company has been in an exceptionally long prohibited period or the Company has had a number of consecutive prohibited periods and the restricted person could not reasonably have been expected to exercise it at a time when free to do so; or
- m) trade under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy.

The Company has in place an executive / staff equity incentive plan. It is not permissible to provide the exercise price of options under any such plan by selling the shares acquired on the exercise of these options during one of the closed periods.

5.0 Notification Requirements

5.1 Notification

Any Director or employee who (or through his or her Associates) buys, sells, or exercises rights in relation to Company securities **must** notify the Company Secretary in writing of the details of the transaction within three business days of the transaction occurring. This notification obligation does not apply to acquisitions of shares or options by employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme.

5.2 Director and Key Management Personnel sales of securities

Directors and executives need to be mindful of the market perception associated with any sale of Company securities and possibly the ability of the market to absorb the volume of shares being sold. With this in mind, the management of the sale of any significant volume of Company securities (i.e. a volume that would represent a volume in excess of 10% of the total securities held by the seller prior to the sale, or a volume to be sold that would be in excess of 10% of the average daily traded volume of the shares of the Company on the ASX for the preceding 20 trading days) by a Director, the Chief Executive Officer or other Key Management Personnel are expected to be discussed with the board and the Company's legal and financial advisers prior to the execution of any sale.

5.3 Exemption from Trading Window restriction due to exceptional circumstance

A Director, employee or contractor who is not in possession of inside information in relation to the Company, may be given prior written clearance by the Chair (or in the case of the Chair, all of the other members of the board) to sell or otherwise dispose of Company securities inside a closed period where the person is in severe financial hardship or where there are exceptional circumstances as set out in this policy.

6.0 ASX notification for Directors

The ASX Listing Rules require the Company to notify the ASX within five business days after any dealing in securities of the Company (either personally or through an Associate) which results in a change in the relevant interests of a Director in the securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX.

7.0 Effect of Compliance with this Policy

Compliance with these Guidelines for trading in the Company's securities does not absolve that individual from complying with the law, which must be the overriding consideration when trading in the Company's securities.

Annexure 4 - Risk Management Policy

1. Risk Profile & Management of Risks

Risk is an inherent part of the Bluglass business. Bluglass is in a highly competitive market sector.

Bluglass regards business risks as threats to the achievement of Bluglass's objectives and goals and to the successful execution of its strategies.

The main risks faced by Bluglass are:

- Technology and Development Risk;
- Intellectual Property Risk;
- Legal, compliance and documentation risk (including product liability, legal compliance guidelines set by customers);
- Regulatory risk;
- Outsourced services;
- Competitor and Market risk;
- Occupational Health and Safety Risk;
- Credit risk;
- Financing and Capital Adequacy Risk;
- Foreign Exchange risk.

2. Risk Oversight - The Audit and Risk Management Committee and the Board

The Audit and Risk Management Committee reviews and the Board approves:

- Bluglass's risk management strategy and policy as prepared by management;
- Bluglass's risk management framework, including key policies and procedures, including any changes to the risk management framework or any key risk policies and procedures; and
- Compliance with the endorsed risk management framework through monthly reporting to the Board.

Authority may be delegated to management where appropriate.

The Audit and Risk Management Committee regularly reviews business risks applicable to the business and ongoing operations. Additionally, the Committee considers risk profiles as part of the annual strategy review and budget planning review. As part of the monitoring process, the Audit and Risk Management Committee is provided with monthly management reports, documenting as applicable:

- Reports on exposures, non compliance with key policies and general effectiveness of risk management systems, when necessary;
- Results of independent reviews of the control environment;
- Other management information.

3. Compliance & Control / Assessment of Effectiveness

The Board of Bluglass is aware of the inherent risks associated with its business and takes ultimate responsibility in relation to risk management. In addition, the Board has delegated certain activities to the Audit and Risk Management Committee, namely those of a primarily financial nature.

The Audit and Risk Management Committee's functions, which are set out in its charter, are to assist the Board in the exercise of its legal responsibilities with respect to the overall control and management of Bluglass. In particular the Audit and Risk Management Committee reviews and reports to the Board on matters including:

- the integrity of Bluglass's financial and external reporting;
- the external auditors' selection, scope and independence; and
- the effectiveness and adequacy of management information and internal control structures.

The Audit and Risk Management Committee also plays a key role for the Board in overseeing management's application of the ASX Corporate Governance Council Guidelines in respect of Financial Reporting and Risk oversight.

4. Risk Management

The Board has also delegated various authorities to the CEO and the CFO to enable the setting of the policy and procedures to assist with the management of Bluglass's risk profile. The management of operational risk and the implementation of mitigation measures is the responsibility of management.

The risk management and internal control systems within Bluglass encompass all policies, processes, practices and procedures established by management and/or the Board to provide reasonable assurance that:

- established corporate and business strategies and objectives are achieved;
- risk exposure is identified and adequately monitored and managed;
- resources are acquired economically, adequately protected and managed efficiently and effectively in carrying out Bluglass's business;
- significant financial, managerial and operating information is accurate, relevant, timely

and reliable; and

- there is an adequate level of compliance with policies, standards, procedures and applicable laws and regulations.

The Audit and Risk Management Committee reviews how senior management:

- Delegate approvals required under the risk management framework;
- Report risk management including operational issues, operational losses;
- Monitor operational control weaknesses and breakdowns, including fraud;
- Monitor due diligence conducted for appointment and ongoing monitoring of outsourced arrangements;
- Perform in self assessment reviews and their monitoring of results of workshops for other employees.

Annexure 5 - Audit and Risk Management Committee Charter

The Board of Bluglass has established an Audit and Risk Management Committee (“Audit and Risk Management Committee”). The purpose for which the Audit and Risk Management Committee has been established and the powers of the Audit and Risk Management Committee are set out in this document.

1. Role and Objectives

The primary role of the Audit and Risk Management Committee is to monitor and review, on behalf of the Board, the effectiveness of the control environment of Bluglass in the areas of operational and balance sheet risk, legal/regulatory compliance and financial reporting. The overriding objective of the Audit and Risk Management Committee is to provide an independent and objective review of financial and other information prepared by management, in particular that to be provided to members and/or filed with regulators, including:

- * overseeing Bluglass’s discharge of its responsibilities with respect to:
 - a. the financial statements, financial report and annual report;
 - b. legal/regulatory compliance;
 - c. protection of capital; and
 - d. risk management systems,
- * overseeing Bluglass’s relationship with external auditors; and
- * determining the independence of the external auditors and the policy for audit partner rotation.

The Committee is also responsible for the review of the Company’s risk management program.

The Committee meets and receives regular reports from its external auditors concerning matters that arise in connection with their audit. The Committee is also responsible for review of performance and nomination of the external auditors.

2. Membership of the Committee

Unless otherwise determined by the Board, the Committee comprises only non-executive directors and a minimum of 3 independent directors. It is intended that a majority of the Committee at any time will be independent directors such that they are independent of management and free of any conflicts, business or other relationship that could materially interfere with – or could reasonably be perceived to interfere with – the exercise of their unfettered and independent judgement.

The Chair should be an independent director and not the Chair of the board of directors. The Board will appoint the Chair of the Committee.

The current members of the Committee are:

- * James Walker (Chair)
- * Vivek Rao; and
- * Stephe Wilks.

Other non-executive directors who are not Committee members may attend meetings of the Committee should they wish. The external auditors, the CEO, CFO and other officers of the company may attend meetings of the Committee by invitation.

All persons appointed to the Committee will be financially literate (able to read and understand financial statements) and have sufficient financial knowledge and understanding to allow them to discharge their responsibilities.

The Board will review the membership and charter of the Committee annually, in accordance with paragraph 6.

3. Administrative matters

It is intended that the Committee will meet at least 3 times each year, or as often as the Committee members deem necessary in order to fulfil their role and objectives set out in this Charter.

Except as set out in this Charter, the Committee is subject to the Board's general policy for engaging or seeking advice from financial and legal advisers.

The Company Secretary will attend all Committee meetings as minute secretary. All minutes of the Committee will be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

4. Reporting

It is intended that a report of the actions of the Committee and/or a copy of the minutes of the Committee meeting will be included in the Board papers for the Board meeting next following a meeting of the Committee.

The Chair will, if requested, provide a brief oral report as to any material matters arising out of the Committee meeting. All directors may, within the Board meeting, request information of members of the Committee.

5. Responsibilities and functions

5.1 Overview

The Committee's key responsibilities and functions are to:

- * oversee Bluglass's relationship with the external auditor (including forming a policy on the provision of non-audit services and the rotation of external auditor personnel on a regular basis) and the external audit function generally;
- * oversee the adequacy of the control processes in place in relation to the preparation of financial statements and reports;
- * oversee the adequacy of the Bluglass's financial controls and systems;

- * oversee the review and improvement of the Company's internal control processes; and
- oversee the process of identification and management of business, financial and commercial risks (other than credit and trading (financial market) risk).

5.2 **Audit**

The Committee's specific function on audit is to review and report to the Board that:

- * the system of control, which management has established, effectively safeguards the assets of Bluglass;
- * processes are in place such that accounting records are properly maintained in accordance with statutory requirements; and
- * processes exist to reasonably guarantee that financial information provided to investors and the Board is accurate and reliable.

The following are intended to form part of the normal procedures for the Committee's audit responsibility:

- * recommending to the Board the appointment and removal of the external auditors and reviewing the terms of engagement;
- * approving the audit plan of the external auditors;
- * monitoring the effectiveness and independence of the external auditors;
- * obtaining assurances that the audit is conducted in accordance with the Auditing Standards and all other relevant accounting policies and standards;
- * providing recommendations to the Board as to the role of the internal auditor/internal audit function, if any;
- * reviewing and appraising the quality of audits conducted by Bluglass's external auditors and confirming their respective authority and responsibilities;
- * monitoring the relationship between management and the external auditors;
- * evaluating the adequacy, effectiveness and appropriateness of Bluglass's administrative, operating and accounting control systems and policies;
- * reviewing and evaluating controls and processes in place to ensure compliance with approved policies, controls, and with applicable accounting standards and other requirements relating to the preparation and presentation of financial results;
- * overseeing Bluglass's financial reporting and disclosure processes and the outputs of that process;
- * determining the reliability, integrity and effectiveness of accounting policies and financial reporting and disclosure practices;
- * reviewing (in consultation with management and external auditors) the appropriateness of the accounting principles adopted by management in the

composition and presentation of financial reports and approving all significant accounting policy changes.

5.3 Risk and Compliance

The Committee's specific function with respect to risk management is to review and report to the Board that:

- * the Company's ongoing risk management program effectively identifies all areas of potential risk;
- * adequate policies and procedures have been designed and implemented to manage identified risks;
- * a regular program of audits is undertaken to test the adequacy of and compliance with prescribed policies; and
- * proper remedial action is undertaken to redress areas of weakness.

The following are intended to form part of the normal procedures for the Committee's risk responsibility:

- * evaluating the adequacy and effectiveness of the management reporting and control systems used to monitor adherence to policies and guidelines and limits approved by the Board for management of balance sheet risks;
- * evaluating the adequacy and effectiveness of Bluglass's financial and operational risk management control systems by reviewing risk registers and reports from management and external auditors;
- * evaluating the structure and adequacy of Bluglass's own insurances on an annual basis;
- * reviewing and making recommendations on the strategic direction, objectives and effectiveness of Bluglass's financial and operational risk management policies;
- * overseeing the establishment and maintenance of processes to ensure that there is:
 - * an adequate system of internal control, management of business risks and safeguard of assets; and
 - * a review of internal control systems and the operational effectiveness of the policies and procedures related to risk and control;
- * evaluating Bluglass's exposure to fraud and overseeing investigations of allegations of fraud or malfeasance;
- * reviewing Bluglass's main corporate governance practices for completeness and accuracy;
- * overseeing the proper evaluation of the adequacy and effectiveness of Bluglass's legal compliance control systems; and
- * providing recommendations as to the propriety of related party transactions.

6. Review

The Board will, at least once in each year:

- * review the membership and charter of the Committee to determine its adequacy for current circumstances. Where necessary, the Board, upon the recommendation of the Committee, may by resolution, alter the responsibilities, functions or membership of the Committee. The Committee may also recommend to the Board the formal adoption of the revised charter for future operations of the Committee; and
- * oversee the preparation of any report or other disclosures to be included in Bluglass's annual report or other communications to shareholders relating to the external auditors and Bluglass's financial statements.
- * Review the adequacy of its risk management matrix.

Annexure 6 Nomination and Remuneration Committee Charter

The Board of Bluglass has resolved to discontinue with the operation of a Nomination and Remuneration Committee (The BLG NR Committee). The roles and objectives of this Charter will be used by the board to guide it in the performance of its nomination and remuneration functions.

1. Role and Objectives

The role of the BLG NR Committee is to assist and advise the Board on matters relating to the appointment and remuneration of the non-executive directors, Managing Director, Company Secretary, CFO, and other senior executives and employees of Bluglass.

Management is responsible for recommending remuneration practices and policies. The BLG NR Committee has the right to review, approve or refer to the Board for its approval, remuneration practices and policies.

In relation to employees generally, the BLG NR Committee reviews and approves remuneration policies and practices.

In relation to senior management, the BLG NR Committee reviews remuneration policies and practices and makes recommendations to the Board regarding their approval.

In relation to the Managing Director, Company Secretary, and the CFO, the BLG NR Committee determines and makes recommendations to the Board on remuneration packages and other terms of employment having regard to the need to attract, retain and develop appropriately skilled people.

The objectives of the BLG NR Committee include:

- to review, assess and make recommendations to the Board on the necessary and desirable competencies of the non-executive members of the board of directors;
- to develop succession plans for the Board and to oversee development by management of succession planning for senior executives; and
- to review remuneration practices and policies.

2. Membership of the Committee

Unless otherwise determined by the Board, the BLG NR Committee comprises a minimum of three directors. It is intended that a majority of the Committee at any time will be independent directors. The Chair should be an independent director and not the Chair of the board of directors. The Board will appoint the Chair of the BLG NR Committee.

The Board may appoint such additional members to the BLG NR Committee or remove and replace members of the BLG NR Committee by resolution.

Where not appointed as a member, the Chair of the Board may attend meetings of the committee at his or her discretion, in an ex-officio capacity. Members of management may also attend meetings of the BLG NR Committee at the invitation of the Chair. No Executive Officer of the Company may participate in deliberations of the BLG NR Committee (whether as a member of the BLG NR Committee or in an ex-officio capacity) where he or she has a personal interest.

3. Administrative matters

The BLG NR Committee will meet as often as the BLG NR Committee members deem necessary in order to fulfil their role. However, it is intended that the BLG NR Committee will meet at least time each year.

A quorum consists of the lesser of 2 members or a majority of members of the BLG NR Committee.

The BLG NR Committee may have access to financial, legal or other independent advisers, in accordance with the Board's general policy. The BLG NR Committee may obtain information from and consult with such members of management as it considers appropriate.

The Company Secretary will attend all BLG NR Committee meetings as minute secretary. All minutes of the BLG NR Committee will be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

The Secretary will be responsible for preparing, in consultation with the Committee Chair, the agenda for each meeting of the Committee and for compiling papers for the Committee to consider. The secretary will circulate agendas and Committee papers to all members of the Committee and to all other directors of the Board.

4. Reporting

The BLG NR Committee Chair will prepare a report of the actions of the BLG NR Committee to be included in the Board papers for the Board meeting next following a meeting of the BLG NR Committee.

The BLG NR Committee Chair will also, if requested, provide a brief oral report as to any material matters arising out of the BLG NR Committee meeting. All directors will be permitted, within the Board meeting, to request information of the BLG NR Committee Chair or members of the BLG NR Committee.

5. Responsibilities and functions

The BLG NR Committee will be responsible for:

- Determining, reviewing and making recommendations to the Board on:
 - the total level of remuneration of non-executive directors and for individual fees for non-executive directors and the Chair, including any additional fees payable for membership of Board committees;
 - the total remuneration package for the Managing Director, Company Secretary, and the CFO, including short term and long term incentives;

- management succession planning in regard to the Managing Director, Company Secretary, and the CFO
- reviewing and approving management recommendations on remuneration practices and policies, and the remuneration of employees generally;
- reviewing the performance targets for senior management and, where appropriate, making recommendations to the Board regarding their approval;
- reviewing management succession planning for Bluglass in general and, where appropriate, making recommendations to the Board regarding their approval;
- reviewing the appointments and terminations to senior management positions and, where appropriate, making recommendations to the Board regarding their approval;
- reviewing Bluglass’s obligations on matters such as superannuation and other employment benefits and entitlements.
- reviewing and making recommendations to the Board regarding the appointment of non-executive directors, including attending to the following matters:
 - periodically assessing the appropriate mix of skills, experience and expertise required on the Board and assessing the extent to which the required skills are represented on the Board;
 - establishing processes for the identification of suitable candidates for appointment to the Board, including, establishing criteria for Board membership, engaging appropriate search firms to assist in identifying potential candidates, and where appropriate, nominating appropriate candidates for non-executive directorship.
- monitoring the length of service of current Board members, considering succession planning issues and identifying the likely order of retirement by rotation of non-executive directors;
- establishing processes for the review of the performance of individual non-executive directors, the Board as a whole and the operation of Board committees;
- designing induction and ongoing training and education programs for the Board to ensure that non-executive directors are provided with adequate information regarding the operations of the business, the industry and their legal responsibilities and duties; and
- monitoring board members and senior executives to ensure no transactions in associated products are entered into which limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes.

6. **Review**

The Board will, at least once per year, review the membership and charter of the BLG NR Committee to determine its adequacy for current circumstances. Where necessary the Board may by resolution, alter the responsibilities, functions or membership of the BLG NR Committee. The BLG NR Committee may also recommend to the Board the formal adoption of the revised charter for future operations of the BLG NR Committee.

Annexure 7 Diversity Policy

BluGlass is committed to workplace diversity.

BluGlass recognises the benefits arising from employee and Board diversity, including a broader pool of high quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent.

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background.

The Board, however, is also cognisant of the fact that BluGlass is in its development phase and its workforce is not of a size where it can readily implement specific initiatives outside pursuing diversity as a general goal.

Consequently, the Board has adopted a tiered approach to the implementation of its Diversity Policy:

- a. where BluGlass employs 50 or more employees, the Board proposes to adopt more formally the initiatives contained in this Diversity Policy in line with the recommendations and guidance provided in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations;
- b. while BluGlass's workforce remains below this threshold, the Board will continue to drive BluGlass's diversity strategies on an informal basis and will apply the initiatives contained in this Diversity Policy to the extent possible in that context.

The Diversity Policy does not form part of an employee's contract of employment, nor does it give rise to contractual obligations. However, to the extent that the Diversity Policy requires an employee to do or refrain from doing something and at all times subject to legal obligations, the Diversity Policy forms a direction of the Company with which an employee is expected to comply.

2. OBJECTIVES

The Diversity Policy provides a framework for BluGlass to achieve:

- a. a diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals;
- b. a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff;
- c. improved employment and career development opportunities for women;
- d. a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity; and
- e. awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity,

(collectively, the **Objectives**).

The Diversity Policy does not impose on BluGlass, its directors, officers, agents or employee any obligation to engage in, or justification for engaging in, any conduct, which is

illegal or contrary to any anti-discrimination or equal employment opportunity legislation or law.

3. RESPONSIBILITIES

3.1 The Board's commitment

The Board is committed to workplace diversity and supports representation of a diverse range of candidates at the senior level of BluGlass and on the Board where appropriate.

The Board acknowledges its responsibility for the development of measurable objectives and strategies to meet the objectives of the Diversity Policy (**Measurable Objectives**) and the importance of monitoring the progress of the Measurable Objectives through the monitoring, evaluation and reporting mechanisms listed below.

Where BluGlass employs 50 or more employees, the Board shall;

- a. define its Measurable Objectives;
- b. undertake an annual assessment of those Measurable Objectives; and
- c. report on BluGlass's progress towards achieving them.

Where BluGlass employs less than 50 employees, the Board will monitor BluGlass's diversity strategies on an informal basis only.

In any event, the Board will endeavour to conduct all Board appointment processes in a manner that promotes gender diversity, including establishing a structured approach for identifying a pool of candidates, using external experts where necessary.

3.2 Strategies

BluGlass's diversity strategies may include:

- a. recruiting from a diverse pool of candidates for all positions, including senior management and the Board;
- b. reviewing succession plans to ensure an appropriate focus on diversity;
- c. identifying specific factors to take account of in recruitment and selection processes to encourage diversity;
- d. developing programs to develop a broader pool of skilled and experienced senior management and Board candidates, including, workplace development programs, mentoring programs and targeted training and development;
- e. developing a culture which takes account of domestic responsibilities of employees; and
- f. any other strategies the Board develops from time to time.

4. MONITORING AND EVALUATION

The Board is responsible for monitoring the scope and currency of this policy.

The Company is responsible for implementing, monitoring and reporting on the Measurable Objectives.

When BluGlass's workforce grows to 50 or more employees, the Company will undertake a review of the annual key performance indicators for the Chief Executive Officer and senior executives of BluGlass and will determine the extent to which the Measurable Objectives shall be linked to performance-based incentives offered to those executives.

Where appropriate, the Board will review progress against the Measurable Objectives as a key performance indicator in its annual performance assessment.

5. DISCLOSURE

Where BluGlass employs 50 or more employees, the Company will disclose, for each financial year:

- a. any Measurable Objectives set by the Board;
- b. progress against these Measurable Objectives; and
- c. either:
 - (i) the respective proportions of men and women on the Board, in senior executive positions (including how the Company has defined "senior executive" for these purposes) and across the whole Group; or
 - (ii) if BluGlass becomes a "relevant employer" under the Workplace Gender Equality Act, BluGlass will disclose its most recent "Gender Equality Indicators", as defined in the Workplace Gender Equality Act.

Where BluGlass employs less than 50 employees, BluGlass will disclose information on each of the elements above, to the extent that they are relevant.

Annexure 8 –Continuous Disclosure Policy and Communications Strategy

1. Introduction

The Board recognises its duty to ensure that its shareholders are informed of all major developments affecting Bluglass's state of affairs.

Furthermore, Bluglass respects the rights of its shareholders and to facilitate the effective exercise of those rights, the Company is committed to:

- communicating effectively with shareholders;
- providing shareholders with ready access to balanced and understandable information about the Company and corporate proposals; and
- making it easier for shareholders to participate in general meetings of the Company.

2. Definitions

General terms and abbreviations used in this policy statement have the following meaning set out below.

CEO	Chief Executive Officer, who may also be the Managing Director
Chairman	the Chairman of the Board of Directors
Company Secretary	the Company Secretary of the Company
Corporations Act	the <i>Corporations Act 2001</i> (Cth)
Director	a director of Bluglass
Bluglass or the Company	Bluglass Group Limited
Listing Rules	the Listing Rules of the ASX Limited
Officer	a senior executive of Bluglass

This Policy provides that information will be communicated to shareholders and the market through:

- (a) the Annual Report which is distributed to shareholders (usually with the Notice of Annual General Meeting);
- (b) the Annual General Meeting and other general meetings called to obtain shareholder approvals as appropriate;
- (c) the Half-Yearly Directors' and Financial Reports;
- (d) Quarterly Activities and Cash Flow Reports; and

- (e) other announcements released to ASX as required under the continuous disclosure requirements of the Listing Rules and other information that may be mailed to shareholders.

3. **Communication channels**

The Company will actively promote communication with shareholders through a variety of measures, including the use of Bluglass's website and email. The Company's reports and, if and when listed on ASX Limited, ASX announcements will be available for viewing and downloading from its website: www.bluglass.com.au or the ASX website: www.asx.com.au under ASX code "BLG".

The Board encourages full participation of shareholders at Annual General Meetings and general meetings and uses these meetings to assist shareholders in understanding Bluglass's objectives and strategies in relation to its business activities.

The Group's website includes at least the following information for the benefit of its shareholders:

- a. an overview of the Group's current business and activities;
- b. the names and brief biographical information for each of the Company's directors and senior executives;
- c. the Company's constitution;
- d. the Company's corporate governance policies and practices, including its board charter and the charter of each of its board committee;
- e. copies of the Group's annual, half yearly and quarterly reports;
- f. once listed, copies of the Company's ASX announcements and press releases;
- g. copies of notices of meetings of security holders, explanatory statements and accompanying documents; and
- h. presentations made to investors and other stakeholders.

All website information is continuously reviewed and updated to ensure that information is current, or appropriately dated and archived.

In accordance with the Listing Rules, the Company will notify the ASX immediately of information:

- (a) concerning Bluglass that a **reasonable person** would expect to have a **material effect** on the price or value of Bluglass's securities; and
- (b) that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of Bluglass's securities.

This also applies to information that the market requires to correct or prevent a false market where trading in Bluglass's securities occurs in the absence of material price-sensitive information; or on the basis of information that is inaccurate or misleading.

In such a circumstance, and in compliance with the Listing Rules, Buglass will give the ASX the information needed to correct or prevent the false market.

4. **Determining “disclosable” information**

In accordance with legal, statutory and ASX listing requirements (particularly Listing Rule 3.1), Buglass will disclose all information concerning it, of which it is or becomes aware, that a reasonable person would expect to have a material effect on the price or value of its securities.

Information will be taken to have a material effect on the price or value of Buglass’s securities if a reasonable person would expect the information to, or be likely to, influence persons who commonly invest in securities in deciding whether or not to trade the securities.

The Company Secretary, in consultation with the Chairman, has responsibility for determining whether a particular piece of information is material or falls within the exception, otherwise the information should be provided to the ASX for a determination.

5. **Continuous disclosure compliance**

The Company Secretary has responsibility for:

- ensuring employees (including Directors and Officers) receive a copy of this policy statement as well as a copy of Guidance Note 8 of the Listing Rules, which highlights the general principles and obligations set out in Chapter 3 of the Listing Rules pertaining to Continuous Disclosure;
- conducting education sessions for new staff members;
- ensuring that Buglass has an effective reminder system regarding the obligations of employees to notify the Company Secretary of matters that may be disclosable under this Policy, and to otherwise comply with this Policy. This may be via email, in staff meetings or by refresher courses conducted annually;
- including in the reminder system a requirement that all staff members report potential breaches of this policy directly to the Company Secretary; and
- ensuring that Directors and Officers are briefed in detail regarding the continuous disclosure regime.

6. **Release of ASX announcements**

Buglass recognises that non-public, material information (which may include positive as well as negative information affecting the prospects for Buglass), must be released in a timely manner and when released, must be made broadly available to the market. Accordingly, all new material information in the first instance will be released to the ASX.

The procedure for the release of ASX announcements is as follow:

- the Board shall review and provide written approval to the Company Secretary in respect of all key announcements prior to release to the market;
- any relevant parties named in the announcement shall review for factual accuracies in respect of information attributable to them and provide written

consent for inclusion of the names in the announcement to the Company Secretary;

- the Chairman (and in his absence the Company Secretary) is to give the final sign-off before release to the ASX;
- all announcements are to be released electronically by the Company Secretary;
- after confirmation of the release has been obtained from ASX, the Company Secretary will circulate the release to all Directors and Officers of Bluglass;
- all announcements released are to be posted on the Company website as soon as practicable; and
- the Company Secretary is to maintain a register and copy of all announcements released.

As a policy matter, Bluglass will not comment on rumours unless, in the circumstances, this would amount to a breach of Listing Rule 3.1B or other applicable laws.

7. Dealing with the media and analysts

All media enquiries relating to Bluglass are to be coordinated by the Company Secretary, in consultation, with the CEO/Managing Director and Chairman. Media comment will be made only by the Chairman, the CEO/Managing Director or other authorised Company spokesperson.

The CEO/Managing Director in consultation with the Chairman will approve all press releases referring to material issues prior to release.

Bluglass will actively seek to provide private briefings to analysts, institutions and stockbrokers to enhance their understanding of the Company. However, these private briefings must not involve the disclosure of price-sensitive information. If any new information is provided in the presentation, a copy must be lodged with the ASX prior to that meeting. If price-sensitive information is inadvertently disclosed at a private briefing, then the information must be announced to the ASX as soon as practicable.

If an analyst asks a question at a private briefing which touches on a price-sensitive area, then the Bluglass spokesperson can only use publicly available information in the answer. Where this is not possible, then the Bluglass spokesperson should decline to answer the question or take it on notice and answer it after a general disclosure to the ASX has been made. As such, at any private briefing at least two executives should be present and a detailed record of the meeting be taken.

In respect of telephone conversations with investors, analysts and the media, a record should be made of the conversation.

8. Dealing with shareholders

Bluglass will use annual general and other general meetings to communicate with shareholders about its financial performance and business strategy. At all shareholder meetings, Bluglass will actively encourage and allow a reasonable opportunity for shareholder participation.

In all other cases, depending on the nature of the enquiry, the CEO/Managing Director, Company Secretary or Share Registry will deal with private shareholder enquiries.

9. Disclosure of information

This policy will be made available, and updated as required, on Bluglass's website in a clearly marked corporate governance section. www.Bluglass.com.au

10. Opting in to Receive Electronic Communication

As part of the Company's investor relations program, Shareholders can register with the Company Secretary at info@bluglass.com.au to receive email notifications when an announcement is made by the Company.

The default option for receiving a copy of the annual report is via the Company's website, however all shareholders have the option of receiving, free of charge, a printed copy of the annual report or alternatively may elect to receive the annual report via email by notifying the Company's Registrar of this election.

Annexure 9 Whistleblower Policy

Introduction

The Board of BluGlass is committed to operating legally (in accordance with applicable legislation and regulation), properly (in accordance with organisational policy and procedures), and ethically (in accordance with recognised ethical principles). Employees are expected to cooperate with the organisation in maintaining legal, proper, and ethical operations, if necessary by reporting non-compliant actions by other people. Correspondingly, employees who do assist in maintaining legal, proper, and ethical operations should not be penalised in any way.

Purpose

The purpose of this policy is to:

- a) encourage the reporting of matters that may cause harm to individuals or financial or non-financial loss to BluGlass or damage to its reputation;
- b) enable BluGlass] to deal with reports from whistle-blowers in a way that will protect the identity of the whistle-blower and provide for the secure storage of the information provided;
- c) establish the policies for protecting whistle-blowers against reprisal by any person internal or external to the entity;
- d) provide for the appropriate infrastructure;
- e) help to ensure BluGlass maintains the highest standards of ethical behaviour and integrity.

Policy

Concerns regarding illegal or corrupt behaviour

Where an employee of BluGlass believes in good faith on reasonable grounds that any other employee, volunteer, or contractor has breached any provision of the general law that employee must report their concern to

- their supervisor: or, if they feel that their supervisor may be complicit in the breach,
- the CEO: or, if they feel that the CEO may be complicit in the breach,
- the organisation's nominated Whistle-blower Protection Officer; or, if they feel this to be necessary,
- Directors of the organisation nominated by the organisation to receive such information, or
- the duly constituted authorities responsible for the enforcement of the law in the relevant area.

The person making their concern known shall not suffer any sanctions from the organisation on account of their actions in this regard provided that their actions

- are in good faith, and
- are based on reasonable grounds, and
- conform to the designated procedures.

Any person within the organisation to whom such a disclosure is made shall

- if they believe the behaviour complained of to be unquestionably trivial or fanciful, dismiss the allegation and notify the person making the allegation of their decision;
- if they believe the behaviour complained of to be neither trivial nor fanciful, ensure that the allegation is investigated, a finding is made, and the person making the allegation is informed of the finding.

Any such investigation shall observe the rules of natural justice and the provisions of procedural fairness.

Disclosures may be made anonymously, and this anonymity shall as far as possible be preserved by the organisation.

Concerns regarding improper or unethical behaviour

Where an employee of BluGlass believes in good faith on reasonable grounds that any other employee, volunteer, or contractor has breached any provision of the organisation's constitution, or its bylaws, or its policies, or its code of conduct, or generally recognised principles of ethics, that employee may report their concern to

- their supervisor: or, if they feel that their supervisor may be complicit in the breach,
- the CEO: or, if they feel that the CEO may be complicit in the breach,
- Directors of the organisation nominated by the organisation to receive such information

The person making their concern known shall not suffer any sanctions from the organisation on account of their actions in this regard provided that their actions

- are in good faith, and
- are based on reasonable grounds, and
- conform to the designated procedures.

Any person within the organisation to whom such a disclosure is made shall

- if they believe the behaviour complained of to be unquestionably trivial or fanciful, dismiss the allegation and notify the person making the allegation of their decision;
- if they believe the behaviour complained of to be neither trivial nor fanciful, ensure that the allegation is investigated, a finding is made, and the person making the allegation is informed of the finding.

Any such investigation shall observe the rules of natural justice and the provisions of procedural fairness.

Disclosures may be made anonymously, and this anonymity shall as far as possible be preserved by the organisation.

Annexure 10 - Anti-Bribery and Corruption Policy

1. Purpose

The purpose of this Policy is to establish controls to ensure compliance by BluGlass and its related bodies corporate (Partner Firms) with all applicable anti-bribery and corruption laws and to ensure that BluGlass and the Partner Firms conduct its business with honesty and integrity and in a socially responsible manner.

BluGlass and the Partner Firms have a 'zero tolerance' approach to acts of bribery and corruption by any of our officers, employees, contractors and consultants. As well as being morally wrong and harmful to the reputations of BluGlass and the Partner Firms (as applicable), bribery and corruption are criminal offences that expose BluGlass and the Partner Firms and individuals to the risk of prosecution, fines and imprisonment.

This Policy sets out the requirements of BluGlass and the Partner Firms regarding the management of gifts and benefits. Officers, employees, contractors and consultants of BluGlass and Partner Firms must not give or accept gifts and benefits that will compromise, or appear to compromise, their integrity and objectivity in performing their duties, or cause, or appear to cause a conflict of interest.

This Policy applies globally. Officers, employees, contractors and consultants of BluGlass and the Partner Firms are advised that the Australian Criminal Code, the US Foreign Corrupt Practices Act and the UK Bribery Act have extra-territorial reach. As such, for example, an Australian citizen may be prosecuted under the Australian Criminal Code for a violation of the Code that occurs outside of Australia.

Any breach of this Policy may result in disciplinary action, including termination of employment or contract. If the matter involves a breach of law or other regulation, the matter may also be referred to an appropriate law enforcement authority.

This Policy should be read together with the Whistleblower Policy.

2. What is Bribery and Corruption?

Bribery

Bribery is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action which is illegal, unethical or a breach of trust. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage and can take the form of gifts, donations, loans, fees, rewards or other advantages.

Corruption

Corruption is the abuse of entrusted power for private gain.

3. Policy

Bribery and Corruption

Officers, employees, contractors and consultants of BluGlass and the Partner Firms are not permitted to give, offer, promise, accept, request or authorise a bribe or engage in any form of corruption, whether directly or indirectly. By way of example, an employee will be in

breach of this policy if their family member or business associate accepts a benefit that is offered with the intention of influencing the employee.

Gifts and Hospitality

Gifts and genuine hospitality and entertainment expenditure that is reasonable and proportionate is allowable provided it does not place the recipient under any obligation or create any expectation that the giver will receive any special benefit or favour.

Officers, employees, contractors and consultants of BluGlass and the Partner Firms must declare and report gifts and benefits, either offered or accepted and valued at \$300 or more, in the **Gift and Entertainment Register** (Appendix A) within five working days of receiving or being offered the gift or benefit to safeguard and make transparent their relationships and dealings with individuals, organisations and client groups. Gifts should not be accepted on a reoccurring basis or broken down into parts of less than \$300.

If it is known in advance, the receipt of the gift or benefit should be discussed with the Chief Executive Officer (CEO) or the Company Secretary of BluGlass prior to acceptance.

The CEO and the Company Secretary of BluGlass (as applicable) must within five business days of being notified of an offer or receipt of a gift or benefit in accordance with this Policy, provide the recipient of the offer, gift or benefit of any action that should be taken by that person in relation to the gift or benefit. Such actions may include declining, donating or returning the gift or benefit.

Secret Commissions

Secret commissions or payments occur where a commission from a third party (acting in a fiduciary capacity) is taken or solicited without disclosing that commission to that third party's principal. The secret commission is given as an inducement to that third person to use their position to influence the conduct of their principal's business. Secret commissions are a form of bribery and are prohibited under this Policy.

Facilitation Payments

Facilitation payments are minor unofficial payments made to public officials to expedite or secure the performance of routine government action (for example issuing permits or licences). Facilitation payments are a form of bribery and are prohibited under this Policy.

Political Contributions

BluGlass and the Partner Firms prohibit their respective officers, employees, contractors and consultants from making political contributions on behalf of BluGlass and the Partner Firms, other than with the prior written approval of the Chairman and CEO of BluGlass.

This Policy does not seek to curtail an individual's freedom to make political contributions in their personal capacity.

Charitable Contributions

BluGlass and the Partner Firms are committed to the communities in which they do business and encourage and support officers, employees, contractors and consultants participating in local community development initiatives, making donations and undertaking volunteer work.

In addition, BluGlass and the Partner Firms support a number of nominated charitable organisations as determined by the local business. Apart from donations made pursuant to charities or funding programs approved in writing by the Chairman and CEO of BluGlass or a Managing Principal of a Partner Firm, officers, employees, contractors and consultants of BluGlass and the Partner Firms are prohibited from making donations on behalf of BluGlass and the Partner Firms.

This Policy does not seek to curtail an individual's freedom to make donations or undertake volunteer work in their personal capacity.

Compliance with Local Laws

If an officer, employee, contractor or consultant of BluGlass or a Partner Firm travels outside of Australia, that person must comply with local laws, codes of conduct, or other regulations in that jurisdiction relevant to bribery and corruption, even if those local laws are more restrictive than this Policy.

4. Your Responsibilities

All officers, employees, contractors and consultants of BluGlass and the Partner Firms must:

- (a) ensure that they read, understand and comply with this Policy;
- (b) avoid any activity that might lead to, or suggest a breach of this Policy; and
- (c) notify CEO or the Company Secretary of BluGlass as soon as possible if they believe or suspect that a conflict with, or breach of, this Policy has occurred, or may occur in the future. Notifications may also be made pursuant to the BluGlass Whistleblower Policy.

5. Responsibility for Policy Compliance, Training and Review

The Company Secretary of BluGlass is responsible for the overall administration of this Policy and must periodically monitor the implementation of this Policy and review on an ongoing basis the Policy's suitability and effectiveness. Internal control systems and procedures are to be audited regularly to ensure that they are effective in minimising the risk of non-compliance with this Policy.

The Company Secretary of BluGlass must notify the Board of BluGlass and the Board of any relevant Partner Firm of any material breach of this Policy.

All officers, employees, contractors and consultants of BluGlass and the Partner Firms are required to understand and comply with this Policy and to follow the reporting requirements set out in this Policy. To this end, training on how to comply with this Policy will be provided.

The prevention, detection and reporting of bribery and other improper conduct addressed by this Policy are the responsibility of those working for or engaged by BluGlass and the Partner Firms. All officers, employees, contractors and consultants of BluGlass and the Partner Firms should be vigilant and immediately report any breaches or suspicious activity in accordance with this Policy.

APPENDIX A

Gift and Entertainment Register

Name and Position of Recipient	Date Offered and/or Received	Name and Position of Offeror/Giver	Description of gift/entertainment	Value \$	Reason for offering / acceptance	Decision on what will happen to gift	Name and Position of Person who was notified	Date of Notification