

2021 Corporate Governance Statement



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This Statement reports on Cooper Energy's main corporate governance practices for the financial year ended 30 June 2021. It is current as at 11 October 2021 and has been approved by the Board of Cooper Energy Limited.

The directors of Cooper Energy recognise the need for high standards of corporate governance. Cooper Energy is reporting against the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations as required by ASX¹.

There are a number of references in this Statement to Cooper Energy's [2021 Annual Report](#) and [2021 Sustainability Report](#), which contain more information relevant to the company's corporate governance.

References in this Statement to "reporting period" or to "FY21" are to the financial year ended 30 June 2021.

¹ Cooper Energy's [Appendix 4G](#) in respect of the financial year ended 30 June 2021 has been lodged with the ASX on or about the date of this Statement. That Appendix 4G provides further detail of the Company's compliance with the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

Lay solid foundations for management and oversight

Values

Cooper Energy's overarching objective is to deliver sustainable growth in total shareholder return. In pursuing this Cooper Energy's business is managed, and Cooper Energy's decisions are made, consistent with the [Cooper Energy Values](#).

Cooper Energy commissions a program of independently conducted, bi-annual, surveys of staff engagement. The surveys test, in part, whether actual behaviours are consistent with desired behaviours and the Cooper Energy Values. The results from the surveys are benchmarked against scores from the international oil and gas industry, global general industry norms and the norms of companies that qualify as high-performing globally.



CARE

Prioritising safety; health; the environment; and community.



INTEGRITY

Striving to be consistent; staying true to our values; and accountable for our actions.



FAIRNESS & RESPECT

Valuing diversity & difference; acting without prejudice; and communicating with courtesy.



TRANSPARENCY

Being honest; addressing problems; and being clear with our communications.



COLLABORATION

Sharing ideas and knowledge; encouraging cooperation; listening to our stakeholders; and building long term relationships.



AWARENESS

Taking account of all identified key issues in our decisions; and considering future impacts.



COMMITMENT

Staying focused on the core objectives; making pragmatic, quality technical and commercial decisions; and being decisive with the courage of our convictions.

Board & Committee Charters

In order clearly to articulate the responsibilities of the Board, the Committees of the Board and management, Cooper Energy has adopted Charters to outline the roles of each of these bodies.

Cooper Energy's [Board Charter](#) sets out (amongst other things):

- the roles and responsibilities of the Board and of management;
- the matters expressly reserved to the Board; and
- the matters delegated to management.

In mid-2021 the Board resolved to expand the remit of the Nomination Committee to cover certain governance matters. Consistent with this, in July 2021 the Nomination Committee was retitled the "Governance & Nomination Committee", and in August 2021 the respective Charters of the Board and the four Committees were updated accordingly.

The Audit Committee, the Risk and Sustainability Committee, the People and Remuneration Committee, and the Governance & Nomination Committee have also been referred responsibilities by the Board as set out in each Committee's Charter. The Charters for the Committees are located [here](#).

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Appointment of directors and senior executives

Prior to the appointment of a director or senior executive, Cooper Energy undertakes due diligence in various areas, including the prospective director's character, experience, education, criminal record and bankruptcy history.

For all directors, a declaration of interests (including interests in Cooper Energy securities, interests in material contracts, shareholdings and other offices held) is updated and provided to the Board for each Board meeting. In addition, every year Cooper Energy undertakes a questionnaire process which requires each director and senior executive to give details of – amongst other governance matters – actual or pending claims against them, and fines or penalties imposed against them.

Cooper Energy ensures that all material information in its possession relevant to a shareholder's decision whether to elect or re-elect a director is provided to shareholders in Cooper Energy's Notice of Annual General Meeting.

It is important that each director and senior executive of Cooper Energy has a clear understanding of their respective role, responsibilities and accountabilities, and of Cooper Energy's expectations. Accordingly, each director and senior executive of Cooper Energy has an appropriate agreement in writing with Cooper Energy which sets out the key terms and conditions of their appointment.

Company Secretary

The Company Secretary has a direct line of reporting to the Chairman and is responsible for:

- advising and supporting the Chairman and the Board and its committees to manage the day-to-day governance framework of Cooper Energy;
- assisting with Board effectiveness by monitoring whether applicable Board and committee policies, procedures and charters are followed and coordinating timely completion and dispatch of Board agendas, papers, and minutes; and
- assisting with all matters to do with the proper functioning of the Board, including advising on governance matters and assisting with induction and professional development of directors.

The responsibilities of Cooper Energy Secretary are set out in the [Board Charter](#).

Board performance evaluations

The performance of the Board is reviewed annually against measures and in a manner that the Board deems appropriate. The review has regard to various matters including those set out in the Board Charter (under the section headed "Measurement of Performance").

In accordance with the terms of its [Charter](#), the Governance & Nomination Committee assists the Board with the evaluation of the performance of the Board, its Committees, and individual directors (including the Managing Director).

Performance appraisals of the Board are regularly undertaken in accordance with processes approved and implemented by the Governance & Nomination Committee. In 2021 the Board performance evaluation process was facilitated by an external consultant utilising both questionnaires completed by, and interviews with, each director and senior executive. The scope of this evaluation was as follows:

- a whole of Board review – feedback from all directors and senior executives;
- self-reflection and peer evaluation, including a Chairman evaluation;
- observation of, and feedback on, a Board meeting; and
- a report on outcomes of the review including recommendations provided to, and discussed with the Board.

The report on the Chairman's performance has been provided to the entire Board. The report on each other non-executive director is provided to the individual and to the Chairman, with the Chairman to meet individually with each director to discuss the findings of their individual report.

In addition, in FY21, the Board undertook a self-assessment of Directors' skills and experience which is detailed further in the section headed "Board skills matrix" below.

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Senior executive performance evaluations

The Managing Director reviews the performance of the senior executives annually with the assistance of the People and Remuneration Committee. These reviews take into account criteria such as the achievement toward Cooper Energy's performance benchmarks and the achievement of individual performance objectives.

The FY21 Remuneration Report located at pages 55 to 74 of Cooper Energy's 2021 Annual Report sets out further detail regarding the annual process for evaluating the performance of senior executives, including the Managing Director.

During the reporting period, a performance evaluation of senior executives was undertaken by Cooper Energy in accordance with these processes.

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Diversity

One of Cooper Energy's corporate values is "Fairness & Respect", which is defined to mean valuing diversity and difference, acting without prejudice, and communicating with courtesy.

Cooper Energy believes that decision-making is enhanced through diversity. Cooper Energy supports and encourages diversity at all levels of the organisation in accordance with Cooper Energy's [Equal Opportunity & Diversity Code](#).

Cooper Energy strives to provide the best possible opportunities for current and prospective employees of all backgrounds in such a manner that best adds to overall shareholder value, and which reflects the Cooper Energy's Values and the principles and spirit of the Equal Opportunity & Diversity Code. The directors believe that diversity is a relevant consideration for the composition of an effective Board.

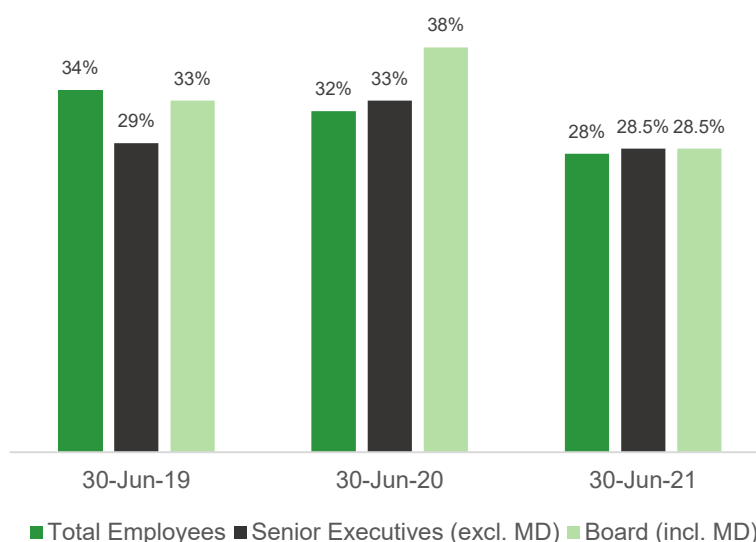
The People and Remuneration Committee is responsible for recommending to the Board measurable objectives for achieving gender diversity, and reviewing annually any such objectives and Cooper Energy's progress towards achieving them. The Committee reviews and reports to the Board at least annually on the relative proportion of women and men appointed or employed within Cooper Energy group.

The measurable objective to achieve gender diversity adopted by the Board is a gender representation target for FY22 of at least 30% participation by women in the categories of total employees, senior executives² and the Board.

As at 30 June 2021, Cooper Energy had a total of:

- 25 women employees out of a total of 90 employees across the organisation (ie. women comprised 27.8% of all employees);
- 2 women employees out of a total of 7 employees in senior executive positions (excluding the Managing Director) (ie. women comprised 28.6% of senior executives); and
- 2 women directors out of a total of 7 directors on the Board (including the Managing Director) (ie. women comprised 28.6% of the Board).

Figure 1 – Trends in Diversity Numbers 2019 – 2021 (women as % of staff)



² "senior executive" means the Executive KMP listed in the Remuneration Report contained within the Company's 2021 Annual Report. The 2021 Annual Report is located at: <http://www.cooperenergy.com.au/investor-information/reports>

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Ms Giselle Collins was appointed to the Board subsequent to the conclusion of the reporting period (subject to confirmation by shareholders at Cooper Energy's 2021 AGM). Accordingly, as at the date of this Statement, Cooper Energy has a total of 3 women directors out of a total of 8 directors on the Board (including the Managing Director) (ie. women comprise 37.5% of the Board).

Cooper Energy is committed to providing a working environment for its employees which meets the needs of the company that includes – when appropriate and/or necessary – providing flexible working arrangements. Cooper Energy has a Flexible Work Procedure which allows working from home in prescribed circumstances. This Procedure was updated in FY21 to reflect changes in community and staff expectations and requirements with respect to flexible working arrangements, particularly working from home.

Consistent with these flexible arrangements, as at 30 June 2021, 9 employees were permanent part time (33.33% men: 66.66% women).

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Structure the Board to be effective and add value

Governance & Nomination Committee

Cooper Energy has, and during the reporting period had, a Governance & Nomination Committee in place (previously known as the “Nomination Committee”). In accordance with that Committee’s [Charter](#), the Committee comprises not less than 3 non-executive directors who are independent directors, including the Chairman of the People and Remuneration Committee.

The Governance & Nomination Committee currently comprises 4 non-executive directors, and the Managing Director has a standing invitation to attend. The Chairman of the Board is the Chairman of the Governance & Nomination Committee. The Governance & Nomination Committee’s members, the number of times the Committee met throughout the reporting period and the attendance of the Committee’s members at those meetings is set out in the Directors’ Report contained in the 2021 Annual Report.

Board skills matrix

The Board regularly evaluates the mix of skills, experience and diversity amongst directors, including the Managing Director. The Board believes that a highly credentialed Board, with a diversity of background, skills and perspectives, will be effective in maintaining good governance and sustainable performance for Cooper Energy and value for Cooper Energy’s shareholders.

In 2020 the Board skills matrix was reviewed to ensure that the composition of the Board covers the skills needed to address existing and emerging business and governance issues relevant to Cooper Energy. Changes to the composition of the Board were made in 2020 and 2021.

In the reporting period the Board reviewed the updated matrix and assessed the individual skills and expertise against the criteria set out in that matrix, to ensure that the Board collectively possesses these skills and experience. It is not expected that each Board member will have expertise in all of the areas listed. Further, any one element of the criteria for each skill area is sufficient. That said, while not all Board members must meet the specific criteria for Audit and/or Corporate Finance, all Board members must be (and all current Board members are) financially literate and are able to discharge their directors’ duties in this regard.

The chart on the following page illustrates the skills and experience of the Directors as at the end of the reporting period, and includes an explanation of the criteria used to assess the degree to which a director possesses each skill³.

³ For the purposes of assessing the Board skills matrix, each Skill Area was divided into criteria sub-groups, each of which was assessed and scored and then re-aggregated.

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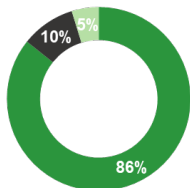
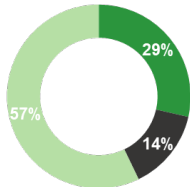
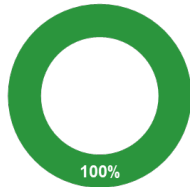
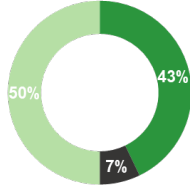



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Figure 2 – Board skills matrix for FY21

Skill Area	Description	Evaluation						
Commercial, M&A and/or Capital Markets	Proven experience with M&A or capital raisings, current or former corporate advisory role, investment banking or funds management role.	<table border="1"> <tr> <td>Deep Skills</td> <td>43%</td> </tr> <tr> <td>Broad Skills</td> <td>43%</td> </tr> <tr> <td>Moderate Skills</td> <td>14%</td> </tr> </table>	Deep Skills	43%	Broad Skills	43%	Moderate Skills	14%
Deep Skills	43%							
Broad Skills	43%							
Moderate Skills	14%							
Audit and/or Corporate Finance	Financial expert (such as CA, CPA, former CFO), CFA, role in auditing or accounting, role in finance industry, Proved experience in corporate taxation, expertise in corporate taxation, Degree in Commerce, Finance, Accounting or Auditing.	<table border="1"> <tr> <td>Deep Skills</td> <td>52%</td> </tr> <tr> <td>Broad Skills</td> <td>33%</td> </tr> <tr> <td>Moderate Skills</td> <td>14%</td> </tr> </table>	Deep Skills	52%	Broad Skills	33%	Moderate Skills	14%
Deep Skills	52%							
Broad Skills	33%							
Moderate Skills	14%							
Energy	Current or former executive role in energy sector or energy advisor, expertise in exploration, refining, development, production and distribution of oil and gas products, energy industry joint venture experience, product marketing and commercial.	<table border="1"> <tr> <td>Deep Skills</td> <td>76%</td> </tr> <tr> <td>Broad Skills</td> <td>10%</td> </tr> <tr> <td>Moderate Skills</td> <td>14%</td> </tr> </table>	Deep Skills	76%	Broad Skills	10%	Moderate Skills	14%
Deep Skills	76%							
Broad Skills	10%							
Moderate Skills	14%							
Technical/Operational/Engineering	Current or former technical role, technical or engineering degree, technical work experience.	<table border="1"> <tr> <td>Deep Skills</td> <td>62%</td> </tr> <tr> <td>Broad Skills</td> <td>29%</td> </tr> <tr> <td>Moderate Skills</td> <td>10%</td> </tr> </table>	Deep Skills	62%	Broad Skills	29%	Moderate Skills	10%
Deep Skills	62%							
Broad Skills	29%							
Moderate Skills	10%							
Public and Regulatory Policy	Former or current role in the government or executive role in a government organisation, body, entity or institution, Membership on the Takeovers Panel or FIRB, Consultant to government, think-tanks, pro-active organisations, Public and private sector experience in economic policy development and analysis.	<table border="1"> <tr> <td>Deep Skills</td> <td>75%</td> </tr> <tr> <td>Broad Skills</td> <td>25%</td> </tr> <tr> <td>Moderate Skills</td> <td>0%</td> </tr> </table>	Deep Skills	75%	Broad Skills	25%	Moderate Skills	0%
Deep Skills	75%							
Broad Skills	25%							
Moderate Skills	0%							
HSEC and Sustainability	Current or former executive role with direct control or accountability and responsibility for health, safety, environment, community and sustainability in the energy industry, at least 3 years of current or former membership of a HSEC committee, membership of global or world health institutes, proven knowledge of global environmental management, environmental science degree.	<table border="1"> <tr> <td>Deep Skills</td> <td>69%</td> </tr> <tr> <td>Broad Skills</td> <td>26%</td> </tr> <tr> <td>Moderate Skills</td> <td>6%</td> </tr> </table>	Deep Skills	69%	Broad Skills	26%	Moderate Skills	6%
Deep Skills	69%							
Broad Skills	26%							
Moderate Skills	6%							
Legend	Deep Skills	Broad Skills	Moderate Skills					

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Skill Area	Description	Evaluation	
Strategy Development and Implementation	Current or former experience in strategy development and implementation in senior executive or non-executive roles.		
Risk Management	Current or former experience in risk management and oversight, Ability to identify key business risks and mitigation implementation, Ability to assess the effectiveness of Management in this area.		
Culture and Remuneration	Current or former executive role with direct control or accountability and responsibility for industrial relations/human resources, Current or former executive HR role or HR consultant.		
Business Leadership	Current or former directorship outside Cooper Energy (including in diverse industries), Current or former senior management position in publicly listed company(ies).		
Governance and Legal Compliance	Current or former compliance experience with laws and regulations applicable to Cooper Energy's business activity, Membership of governance industry bodies or organisations, Awareness of Australian and global governance practices and trends, Ability to implement high standards of governance and legal compliance.		
Legend	 Deep Skills	 Broad Skills	 Moderate Skills

Additionally, the details of the directors' qualifications, skills and experience are set out on pages 51 to 54 of the 2021 Annual Report.

Director independence

The Board assesses independence of directors by considering whether a director has any interest, position, or relationship that might influence, or might be perceived to influence, in a material respect, a director's capacity to exercise their judgement independently when acting as a director.

In making this assessment, the Board considers the interests, positions and relationships of the director, including having regard to the independence criteria referred to in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. The Board also considers such other assessment criteria thought appropriate by the Board at the time of making the assessment.

With the exception of the Managing Director, all directors are independent.

Independence is assessed annually and Cooper Energy's Annual Report sets out whether or not a director is considered to be independent. Details of Cooper Energy's independent directors, and the length of service of each director, are set out on pages 51 to 54 of 2021 Annual Report.

Independence of the Chairman

The Chairman of the Board is an independent director and is not the current or previous CEO or Managing Director of Cooper Energy. The [Board Charter](#) provides for the directors to elect an independent director, who is not the current or previous Managing Director, to perform the role of Chairman.

Induction and professional development

All new directors are provided with an induction including comprehensive meetings with the Managing Director and senior executives, and provision of information on Cooper Energy (including company and Board policies).

Subsequent to the conclusion of the reporting period, a new director was appointed to the Board – Ms Giselle Collins (whose appointment is subject to confirmation by shareholders at Cooper Energy's 2021 AGM). Ms Collins undertook this induction shortly following her commencement with the company.

All directors are expected to maintain the skills required to discharge effectively their obligations to Cooper Energy. Directors are encouraged to undertake continuing professional education, and at least annually Cooper Energy arranges for external speakers with expertise in areas that are relevant to Cooper Energy's operations and strategy to address the Board. Where appropriate, Cooper Energy pays for directors to attend approved industry seminars and education courses.

In the reporting period, the Board participated in training including in respect of insurance, Respect@Work - National Inquiry into Workplace Sexual Harassment, and deep-dives into key Cooper Energy assets and operations.

The Governance & Nomination Committee oversees the induction program for new directors. The Committee considers the training and development needs of directors, and resources allocated to developing and maintaining director skills and knowledge, to ensure that the directors have and maintain the necessary skills and knowledge required to fulfil their role on the Board and its Committees effectively.

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Instil a culture of acting lawfully, ethically and responsibly

All of Cooper Energy's stakeholders – shareholders, employees, customers, suppliers, creditors and the broader community – are entitled to expect Cooper Energy to manage its business and make its decisions with care, integrity and fairness. Cooper Energy is, and expects its personnel to be, committed to doing so.

Acting in a manner consistent with the company's [Code of Conduct](#), with the [Cooper Energy Values](#) and its other corporate governance policies and procedures, will assist Cooper Energy in effectively managing its operating risks and meeting its legal and compliance obligations, as well as enhancing Cooper Energy's corporate reputation and its total shareholder return.

The company's [Code of Conduct](#) sets out the standards of behaviour expected of all its employees, directors, officers, contractors and consultants, and sets out the following key principles:

- operate with care, prioritising the safety and health of all Personnel and the environment and the communities in which Cooper Energy operates;
- act honestly and with high standards of personal integrity including treating other Personnel with respect;
- comply with the laws and regulations that apply to Cooper Energy and its operations;
- not knowingly participate in any illegal or unethical activity;
- not misuse or take advantage of the property or information of, or their position in, Cooper Energy for personal gain or to cause detriment to Cooper Energy;
- act in the best interests of Cooper Energy and not enter into any arrangement or participate in any activity that would conflict with Cooper Energy's best interests or that would be likely to negatively affect Cooper Energy's reputation; and
- strive to be a good corporate citizen and achieve community respect including by dealing with customers and suppliers fairly.

Cooper Energy has a [Whistleblower Policy](#) that is intended to encourage reporting of suspected or actual wrongdoing. The Whistleblower Policy also sets out how disclosures by whistleblowers will be handled by Cooper Energy and the protections which are available to whistleblowers. The Whistleblower Policy requires disclosures made under the Policy to be reported to the Board.

Cooper Energy also has an [Anti-Bribery and Corruption Code](#) that prohibits bribery, facilitation payments, secret commissions and money laundering. The Code also prohibits offering or accepting gifts, entertainment or hospitality, and providing donations, community investments and sponsorships, other than in accordance with the Code. The Code is intended to reinforce the Cooper Energy's Values, which are consistent with conducting business honestly and ethically, in compliance with the laws of jurisdictions where we operate and with zero tolerance for bribery and corruption. The Anti-Bribery and Corruption Code requires that material breaches of the Code be reported to the Board.

In addition, in the reporting period Cooper Energy published its first [Modern Slavery Statement](#). Cooper Energy recognises that slavery and human trafficking can occur in many forms and the company is committed to protecting human rights across all areas of our business operations. The purpose of Cooper Energy's Modern Slavery Statement is therefore to outline the company's approach to ensuring appropriate frameworks and processes are in place to minimise the risk of modern slavery in the company's business operations and supply chains. Cooper Energy sees this as being a vital part of the company's corporate responsibility and inherent in the Cooper Energy Values.

Cooper Energy works constructively with local communities, including Indigenous communities, to deliver our business objectives with care. The company believes in creating long term benefits from our activities for the communities and local economies with which Cooper Energy works, and seeks to have mutually beneficial relationships with traditional custodians on lands on which we operate. Cooper Energy recognises their cultural connection to the land and engages with Traditional Owners to protect heritage sites. Cooper Energy's [Indigenous and Community Engagement Policy](#) sets out the company's actions in this area.

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Safeguard the integrity of corporate reports

Cooper Energy has, and during the reporting period had, an Audit Committee in place. In accordance with the [Audit Committee's Charter](#), the Audit Committee comprises at least 3 non-executive directors appointed by the Board, the majority of whom are independent directors.

All Committee members are financially literate and at least 1 member has accounting or related financial experience. The Board appoints the Chairman of the Committee. The Chairman of the Committee must be independent and must not be the Chairman of the Board.

For the reporting period, the Audit Committee was comprised entirely of independent non-executive directors (including the Chairman of that Committee, who is not the Chairman of the Board). The Audit Committee currently comprises 4 non-executive directors, and the Managing Director has a standing invitation to attend.

The Committee's members and their relevant qualifications and experience, the number of times the Committee met throughout the reporting period and the attendance of the Committee's members at those meetings are set out on pages 52 to 54 of Cooper Energy's 2021 Annual Report.

Cooper Energy has received a declaration in the form set out in Recommendation 4.2 (of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations) from its Managing Director and Chief Financial Officer in relation to the financial statements for the financial period ended 30 June 2021.

Cooper Energy also has in place an [Unaudited Periodic Corporate Report Verification Procedure](#) which sets out the company's robust procedure for verification of the integrity of periodic corporate reports released to the ASX (where the report is not reviewed or audited by Cooper Energy's external auditor).

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Make timely and balanced disclosure

Cooper Energy is committed to complying with its continuous disclosure obligations contained in the ASX Listing Rules and the Corporations Act, preventing the selective or inadvertent disclosure of material price sensitive information, and ensuring that shareholders and other market participants and interested parties are provided with accurate, equal and timely access to material information about Cooper Energy.

Cooper Energy has a [Continuous Disclosure and Market Communications Code](#) that outlines the processes followed by Cooper Energy to ensure compliance with its continuous disclosure obligations and the corporate governance standards applied by Cooper Energy in its market communications practices.

Cooper Energy's Continuous Disclosure and Market Communications Code requires that the Board be provided with, and during the reporting period the Board was provided with, copies of all information disclosed by Cooper Energy to the ASX.

Cooper Energy's Continuous Disclosure and Market Communications Code requires that all new and substantive presentations (for example, presentations given at AGMs, investor days and broker conferences rather than private briefings) be disclosed to the ASX ahead of the presentation, and during the reporting period all such presentation materials were disclosed to the ASX ahead of the relevant presentation.

These presentations are also made available on Cooper Energy's website and, where practicable, Cooper Energy makes such presentations accessible via dial-in or webcast.

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Respect the rights of security holders

Information about Cooper Energy and its operations is located on the company's [website](#).

Cooper Energy is focused on, and staff are incentivised for, generating sustainable growth in total shareholder return through a strategy that requires:

- due care for health, safety, and the environment and communities in which Cooper Energy operates;
- focus on hydrocarbon resources and opportunities possessing the strong economic fundamentals that support generation of leading returns for its shareholders and good commercial outcomes for customers within the foreseeable future; and
- concentration of effort and resources on opportunities where it has deep knowledge and expertise, principally the Australian basins and the commercialisation of gas.

These are supported by a suite of corporate governance policies that reinforce the responsibilities of all Cooper Energy personnel, including its Board of Directors. Information about Cooper Energy's corporate governance (including links to Cooper Energy's corporate governance policies and charters) is available [here](#).

Communication with investors

Cooper Energy believes in empowering its shareholders via effective communication.

Cooper Energy has a [Shareholder Communications Policy](#) that outlines the processes followed by Cooper Energy to ensure communication with shareholders and the investment community is effective, consistent and adheres to the principles of continuous disclosure.

Cooper Energy's [Continuous Disclosure and Market Communications Code](#) also outlines processes and requirements for communications with analysts and investors to ensure that the communications are effective and comply with Cooper Energy's continuous disclosure obligations.

Security holder participation and communications

The Shareholder Communication Policy sets out the policies and processes Cooper Energy has in place to facilitate and encourage participation at meetings of security holders. Cooper Energy permits shareholders to vote online (and by other methods) prior to an AGM if they are unable to attend the meeting.

Cooper Energy gives security holders the option to receive communications from, and send communications to, Cooper Energy and its security registry electronically, as provided for in Cooper Energy's Shareholder Communications Policy.

The only security holder meeting conducted by Cooper Energy during the reporting period was Cooper Energy's AGM held on 12 November 2020. At that meeting all substantive resolutions were decided on a poll.

Recognise and manage risk

Risk and Sustainability Committee

Cooper Energy has, and during the reporting period had, a Risk and Sustainability Committee in place. As at the date of this Statement, the Risk and Sustainability Committee comprises 4 non-executive directors (all of whom are independent directors) and is chaired by an independent director (who is not the Chairman of the Board).

In accordance with the terms of [Risk and Sustainability Committee's Charter](#), this Committee's responsibilities include the following:

- Oversee, review, and make recommendations to the Board regarding Cooper Energy's risk management framework and the adequacy and effectiveness of the risk management framework, including ensuring that the risk management framework deals with contemporary and emerging risks relevant to the company.
- Annually review Cooper Energy's risk management and sustainability policies.
- Assist the Board to review the adequacy and effectiveness of, and monitor compliance with, Cooper Energy's risk management policies and review instances of non-compliance.

The Committee's members and their relevant qualifications and experience, the number of times the Committee met throughout the reporting period and the attendance of the Committee's members at those meetings is set out on pages 52 to 54 of Cooper Energy's 2021 Annual Report.

Internal audit function

The current size of Cooper Energy does not support the establishment of a separate internal audit function. These activities will therefore be performed by the second-line and/or an external service provider to provide independent assurance to the Board and Executive Leadership Team concerning the effectiveness of management of risk and controls. These external advisers report to the Audit Committee, the Risk and Sustainability Committee or the Board, depending on the nature of the audit.

The Risk and Sustainability Committee is responsible for monitoring and reviewing the effectiveness and objectivity of the internal audit function (with assistance from the Audit Committee in relation to internal audit of financial matters).

Economic, environmental and social sustainability risks

One of the Cooper Energy Values is care; it prioritises safety, health, the environment and community. Cooper Energy's objective is to be a sustainable business that delivers value for shareholders, customers, employees and the communities in which it works. Cooper Energy views sustainable and responsible business practices as an important long-term driver of performance and shareholder value and is committed to transparency, fair dealing, responsible treatment of employees and partners and positive links to the community.

It is Cooper Energy's policy to achieve best practice in management and decision making by managing risk to the benefit of all stakeholders in a manner consistent with the Cooper Energy Values. "Best practice" recognises Cooper Energy's activities, size and assets and is fit for purpose having regard to these attributes.

Cooper Energy recognises that business decisions entail calculated risks, and managing those risks within sensible tolerances is fundamental to:

- protecting our people, communities, environment, assets and reputation;
- ensuring good governance and legal compliance; and
- realising opportunities and delivering long-term shareholder value.

Risk management forms part of all strategic, operational and division management responsibilities. It guides decision making and forms an integral part of Cooper Energy's culture.

The Executive Leadership Team performs risk assessments on a regular basis and a summary of material risks for Cooper Energy (including economic, environmental and social sustainability risks) is reported at each meeting of the Board's Risk and Sustainability Committee. That Committee also approves and oversees an internal audit program undertaken internally and/or in conjunction with appropriate external industry and/or field specialists.

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Consistent with this, Cooper Energy's risk management framework (including policies and procedures) is regularly reviewed, and during the reporting period was reviewed and updated or supplemented as appropriate to the changing business and operational environment.

A description of material risks for Cooper Energy is set out in the Operating and Financial Review on pages 45 to 49 of Cooper Energy's 2021 Annual Report.

Cooper Energy's efforts are guided by the sustainability principles developed and applied across 4 key areas:

- people;
- safety;
- environment; and
- community & stakeholders.

The opportunities, obligations and exposures in each of these areas expanded substantially with Cooper Energy's development during the reporting period. Cooper Energy has therefore continued its efforts and achievements with respect to management of economic, environmental and social sustainability risks.

Current information with respect to Cooper Energy's safety and environmental performance, climate active initiatives, climate change reporting and certification by Australian Federal Government as a carbon neutral organisation⁴ is set out in the company's 2021 [Sustainability Report](#). In addition, Cooper Energy's [Climate Action Policy](#) was published in 2021.

⁴ Certification is through Climate Active (part of the Federal Department of Industry, Science, Energy and Resources tasked with management of the National Carbon Offset Standard and Carbon Neutral Program).

Remunerate fairly and responsibly

People and Remuneration Committee

Cooper Energy has, and during the reporting period had, a People and Remuneration Committee in place. As at the date of this Statement, the People and Remuneration Committee comprises 4 non-executive directors (all of whom are independent directors) and is chaired by an independent director (who is not the Chairman of the Board).

The People and Remuneration Committee's Charter is located [here](#).

The Committee's members, the number of times the Committee met throughout the reporting period and the attendance of the Committee's members at those meetings are set out on pages 51 to 54 of Cooper Energy's 2021 Annual Report.

Remuneration policies and practices

Cooper Energy is committed to a remuneration philosophy that aligns to its business strategy and encourages superior performance and shareholder returns. The company's approach towards remuneration aims to ensure that an appropriate balance is achieved among:

- maximising sustainable growth in shareholder returns;
- operational and strategic requirements; and
- providing attractive and appropriate remuneration packages without rewarding conduct that is contrary to the Cooper Energy Values or risk appetite.

Cooper Energy's policies and practices regarding the remuneration of non-executive and executive directors, and other senior executives, is set out in the [People & Remuneration Committee Charter](#) and in the Remuneration Report contained in Cooper Energy's 2021 Annual Report.

Equity-based remuneration

Cooper Energy has an equity-based remuneration scheme. Cooper Energy's [Securities Dealing Policy](#) provides that participants in the scheme must not enter into any transaction which would have the effect of hedging or otherwise transferring to any other person the risk of any fluctuation in the value of any unvested scheme entitlement.