

5 April 2024

2024 Corporate Governance Statement

Next Science Limited (ASX:NXS) (“Next Science” or “the Company”) today releases its 2024 Corporate Governance Statement and Appendix 4G, in accordance with ASX Listing Rules 4.7.3 and 4.7.4.

Approved and authorised for release by the Managing Director and CEO.

Media & Investor Enquiries

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About Next Science

Next Science is a medical technology company headquartered in Sydney, Australia, with a research and development centre in Florida, USA. Established in 2012, the company’s primary focus is on the development and continued commercialisation of its proprietary XBIO™ technology to reduce the impact of biofilm-based infections in human health. XBIO™ is a unique, non-toxic technology with proven efficacy in eradicating both biofilm-based and free-floating bacteria. Next Science owns 100% of the patent protected intellectual property relating to its XBIO™ technology. For further information visit: www.nextscience.com

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Next Science Limited

ABN/ARBN

47 622 382 549

Financial year ended:

31 December 2023

Our corporate governance statement¹ for the period above can be found at:²

- These pages of our annual report:
- This URL on our website: <https://www.nextscience.com/corp-governance/>

The Corporate Governance Statement is accurate and up to date as at 3 April 2024 and has been approved by the Board.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 5 April 2024

Name of authorised officer authorising lodgement: Gillian Nairn, Company Secretary

¹ "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: https://www.nextscience.com/corp-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ Tick the box in this column only if you have followed the relevant recommendation **in full** for the **whole** of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate-governance/charters/”).

⁵ If you have followed all of the Council’s recommendations **in full** for the **whole** of the period above, you can, if you wish, delete this column from the form and re-format it.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
<p>1.5 A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of our diversity policy at: https://www.nextscience.com/corp-governance/</p> <p>and we have disclosed the information referred to in paragraph (c) at: in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/</p> <p>and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/ and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p><input checked="" type="checkbox"/> <i>If the entity complies with paragraph (a):</i> N/A</p> <p><i>If the entity complies with paragraph (b):</i></p> <p>We have disclosed the fact that we do not have a standing nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	<p><input checked="" type="checkbox"/> and we have disclosed our board skills matrix in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/ and the information referred to in paragraph (b), where applicable, and the length of service of each director in our Corporate Governance Statement located at: https://www.nextscience.com/corp-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values: in the Code of Conduct and in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: https://www.nextscience.com/corp-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: https://www.nextscience.com/corp-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement

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3.4	<p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or committee of the board is informed of any material breaches of that policy.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed our anti-bribery and corruption policy at: https://www.nextscience.com/corp-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

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PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> the reasons are set out in our Corporate Governance Statement.</p> <p>A copy of the charter of the committee is available at https://www.nextscience.com/corp-governance/</p> <p>The information referred to in paragraphs (4) and (5) has been disclosed in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/ and in the 2023 Annual Report located at https://www.nextscience.com/investor-centre/?page=half-year-and-full-year-reports</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.3	<p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: https://www.nextscience.com/corp-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: https://www.nextscience.com	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

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PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> the reasons are set out in our Corporate Governance Statement.</p> <p>The Board's Audit and Risk Committee complies with the recommendation as at the date of this Appendix 4G.</p> <p>A copy of the charter of the committee is available on the Company's website at: https://www.nextscience.com/corp-governance/</p> <p>The information referred to in paragraphs (4) and (5) is disclosed in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/ and in the 2023 Annual Report located at https://www.nextscience.com/investor-centre/?page=half-year-and-full-year-reports</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	<p><input checked="" type="checkbox"/></p> <p><i>If the entity complies with paragraph (a):</i> N/A</p> <p><i>If the entity complies with paragraph (b):</i></p> <p>We have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

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7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	<input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/ and, if we do, how we manage or intend to manage those risks in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement

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PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p><input checked="" type="checkbox"/></p> <p><i>If the entity complies with paragraph (a):</i></p> <p>and we have disclosed a copy of the charter of the committee at: https://www.nextscience.com/corp-governance/ and the information referred to in paragraphs (4) and (5) in our Corporate Governance Statement located at https://www.nextscience.com/corp-governance/ and in the 2023 Annual Report located at https://www.nextscience.com/investor-centre/?page=half-year-and-full-year-reports</p> <p><i>If the entity complies with paragraph (b):</i> N/A</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives in the 2023 Annual Report located at https://www.nextscience.com/investor-centre/?page=half-year-and-full-year-reports</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed our policy on this issue or a summary of it in our Corporate Governance Statement and within the Securities Trading Policy located at https://www.nextscience.com/corp-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES		
A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	<input type="checkbox"/> Not applicable and we have disclosed information about the processes in place at: <i>[insert location]</i>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	<input type="checkbox"/> Not applicable	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	<input type="checkbox"/> Not applicable	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable

NEXT SCIENCE[®]

Next Science Limited

2024 CORPORATE GOVERNANCE STATEMENT

Next Science Limited (**Next Science/Company**) has established a framework of rules, relationships, systems and processes within and by which authority is exercised and controlled to promote the responsible management and conduct of its business. Key considerations in the development of the Company's corporate governance arrangements have been the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Recommendations**) and the regulatory obligations applicable to the Company's activities including those of the United States Food and Drug Administration (**FDA**), the Australian Therapeutic Goods Administration (**TGA**) and the European Union Medical Device Regulation.

The Board of Directors of the Company monitors the Company's activities on behalf of shareholders and is committed to maintaining and promoting robust corporate governance arrangements which meet the reasonable expectations of investors.

The Board and its committees periodically review the Company's governance arrangements to ensure they remain in line with regulatory requirements, developments in recommended corporate governance practice and stakeholder expectations, and that they continue to support the Company's strategic objectives.

This Corporate Governance Statement outlines the principal governance arrangements of Next Science and its related entities (the **Group**) and the extent to which Next Science followed the 4th edition of the ASX Recommendations during the financial year ended 31 December 2023.

This Statement has been approved by the Board and is current at **3 April 2024**.

A copy of this Statement and the corporate governance Policies and Charters referenced in this Statement are available on Next Science's website at <https://www.nextscience.com/corp-governance/>.

PRINCIPLE 1: THE BOARD LAYS SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

BOARD RESPONSIBILITIES AND DELEGATIONS

The Board has adopted a written Board Charter which sets out those matters expressly reserved to the Board and those delegated to management. The Board has reserved the following matters to itself:

- to appoint, and to remove, the Managing Director, any executive Directors and the Company Secretary and to determine their remuneration and conditions of service, including any financial incentives;
- to approve:
 - the Group's strategic objectives;
 - the Group's annual budget;
 - succession plans for the Managing Director's direct reports;
 - significant changes to the Group's organisational structure;
 - the acquisition, establishment, disposal or cessation of any significant business of the Group (subject to any shareholder approval which may be required);
 - borrowings, other than in the ordinary course of business, and the granting of security over, or interests in, the undertaking of the Group or any of its assets;
 - any changes to the authority delegated to the Managing Director by the Board;
 - expenditure in excess of authority levels delegated at any time to the Managing Director;
 - policies of Group wide or general application; and
 - all disclosures to the Australian Securities Exchange (**ASX**) and significant public announcements.
- to set the risk appetite within which the Group is to operate;
- to appoint the Chair of the Board;
- to appoint Directors;
- to establish procedures in relation to the discharge of the Board's responsibilities; and
- to authorise the issue of any shares, options or other securities.

The Board's responsibilities include:

- monitoring management's performance in carrying out the Group's strategic objectives and observing budgets approved by the Board;
- monitoring and evaluating the performance of the Managing Director;
- contributing to management's development of corporate strategy;
- considering, approving and monitoring the Group's systems of risk management, accountability, compliance and control;
- encouraging a culture that promotes ethical and responsible decision-making, compliance with legal responsibilities and timely reporting;
- considering the social, ethical and environmental impact of the Group's operations;
- determining dividend policy, the amount to be declared and the nature and timing of dividends to be paid;
- reviewing, monitoring and recommending the approval of any related party transactions;
- assessing and approving the Company's response to proposed transactions which would affect shareholders' positions and rights, and where relevant, making recommendations to shareholders; and
- satisfying itself that appropriate mechanisms are in place for the governance of subsidiary companies.

Save for the matters reserved for the Board, the Board has delegated responsibility for the management of the Group's business and affairs to the Managing Director.

BACKGROUND CHECKS BEFORE APPOINTING DIRECTORS

The Board has adopted a protocol setting out the process which will be followed by the Board in respect of the appointment of a new director. The protocol sets out that a Nomination Committee will be formed as and when required by the Board. The Nomination Committee will be responsible for ensuring that appropriate checks (including as to a candidate's character, experience, education, criminal record and bankruptcy history) are undertaken before a new director is appointed.

Each of the current Directors of Next Science, with the exception of Mr Hummel, provided a national criminal history and a bankruptcy check prior to appointment. Mr Hummel was appointed following a vacancy arising as a result of the former Chair's resignation on short notice for personal reasons. As a solicitor, Mr Hummel must be a fit and proper person in order to hold a current practising certificate. The assessment of a "fit and proper person" to hold a practising certificate includes, among other things, bankruptcy and criminal offences. Given the similar nature of these requirements and there being insufficient time to undertake the usual checks, the Company did not undertake the usual background checks prior to Mr Hummel's appointment.

Next Science, with the assistance of the People, Culture and Remuneration Committee, reviews the performance of Non-Executive Directors before they stand for re-election. Further to this, Next Science provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.

WRITTEN AGREEMENT WITH DIRECTORS AND SENIOR EXECUTIVES

The terms on which each Non-Executive Director of Next Science is appointed are set out in a letter of appointment which each Director is required to approve in writing at the time of their appointment. The Nomination Committee, as established from time to time, is responsible for overseeing the preparation and execution of letters of appointment for new directors.

Each senior executive of Next Science has entered into a written employment contract with Next Science or one of its group companies setting out the terms of their employment.

ACCOUNTABILITY OF COMPANY SECRETARY

Next Science's Board Charter provides that the Board will appoint at least one Company Secretary who is directly accountable to the Board through the Chair on all matters to do with the proper functioning of the Board. The Board is responsible for the appointment, removal and remuneration arrangements of the Company Secretary.

The role and responsibilities of the Company Secretary are set out within the Board Charter and include:

- advising the Board and the Board committees on governance matters
- monitoring that Board and Board committee policies and procedures are followed
- coordinating the timely completion and dispatch of Board and Board committee papers
- ensuring that business at Board and Board committee meetings is accurately captured in the minutes of such meetings
- assisting with the organisation and facilitation of induction and professional development of the Company's Directors
- communication with the ASX in relation to listing rule matters

Information on Next Science's Company Secretary, Gillian Nairn, is provided on page 30 of the Company's 2023 Annual Report.

DIVERSITY

Next Science is committed to fostering a workplace where people feel included, respected and valued for their unique contribution to the Group. Next Science recognises that ensuring inclusion and diversity in the workplace furthers the Group's ability to attract, retain, motivate and develop the best talent, create an engaged workforce and deliver to all stakeholders. Next Science's commitment to inclusion and diversity is embedded in Next Science's Statement of Values as well as Next Science's Diversity and Inclusion Policy, both of which are available on the Company's website.

The Group's executives are responsible for modelling appropriate behaviours to ensure a strong inclusive workplace culture and all employees are responsible for engaging in inclusive workplace practices.

As set out in the Diversity and Inclusion Policy and the People, Culture and Remuneration Committee Charter, the People, Culture and Remuneration Committee is responsible for reviewing annually and making recommendations to the Board on appropriate diversity objectives and strategies to achieve diversity, including reporting to the Board on progress towards achievement of the objectives. The Committee is also responsible for conducting an annual review of, and making recommendations to the Board on, the Company's diversity policies and practices, diversity strategy and progress towards achievement of the Company's diversity objectives.

DIVERSITY (CONT.)

To support diversity in the workforce, Next Science has incorporated into its recruitment practices contacting colleges and universities who have been identified as having a population that is representative of minorities. Next Science has also undertaken a process to identify other organisations with a predominantly minority population to create partnerships in respect of job opportunities at Next Science. Next Science provides diversity and inclusion training for all employees.

The table below sets out Next Science's gender diversity objectives and progress towards achieving the objectives during the reporting period:

MEASURE	PROGRESS
1. Maintain at least 30% female representation on the Board	The Company continued to meet this objective as at 31 December 2023 with the Board comprising two female directors and three male directors, representing 40% female representation.
2. Achieve gender balance in Senior Executive positions (direct reports to MD/CEO and the reports to those persons)	<p>Following changes to the leadership team during 2023, this objective was not met as at 31 December 2023.</p> <p>Next Science remains committed to maintaining a 40:40:20 gender balance within the leadership team and across the workforce.</p> <p>The gender balance within the Senior Executive team as at 31 December 2023 was 80% male and 20% female and the gender balance across the workforce was 42% female employees and 58% male employees.</p>
3. Maintain female staff turnover across the workforce equal to or less than organisational turnover	This objective was met during the reporting period. Female staff turnover during 2023 was 14% and organisational turnover was 30%.

Next Science's workforce diversity as at 31 December 2023, including a comparison to the prior year, is as follows:

GROUP	FEMALE	MALE	FEMALE	MALE
	(2023)	(2023)	(2022)	(2022)
Board of Directors	2 (40%)	3 (60%)	2 (40%)	3 (60%)
Senior Executives*	1 (20%)	4 (80%)	3 (42%)	4 (57%)
Employees (entire organisation)	45 (42%)	61 (58%)	31 (47%)	35 (53%)

*Senior Executives includes the Managing Director and senior management who report directly to the Managing Director.

No new measurable diversity objectives were set for 2023 as the Board considers that the objectives it established in 2020 remain appropriate.

PERFORMANCE REVIEW OF THE BOARD

The Board Charter provides that the Board will undertake an assessment and review of the performance of the Board, its committees and individual Directors at least annually. The People, Culture and Remuneration Committee is responsible for reviewing and making recommendations to the Board in respect of the process for evaluating the performance of the Board, Board Committees and Directors.

A Board performance review was undertaken during the reporting period comprising an online questionnaire. The responses to the questionnaire were de-identified and presented to the Board for discussion.

PERFORMANCE REVIEW OF THE MANAGING DIRECTOR AND SENIOR EXECUTIVES

The performance of the Managing Director and the senior executives who report to the Managing Director is assessed annually with reference to agreed performance indicators.

The People, Culture and Remuneration Committee is responsible for overseeing the process for the performance evaluation of the senior executives who report to the Managing Director. The Managing Director is responsible for advising the People, Culture and Remuneration Committee of the intended review process for the direct reports and reporting to the Committee on the outcome of the reviews.

The People, Culture and Remuneration Committee Charter provides that the Committee will make recommendations to the Board on the criteria for the annual performance review of the Managing Director and, in consultation with the Chair of the Board, make recommendations regarding the process for the annual performance review of the Managing Director. The Chair is responsible for undertaking the review of the Managing Director and reporting back to the Board on the outcome of the review process.

During the reporting period, performance evaluations for the Managing Director and Senior Executives were undertaken in accordance with the processes described above.

Details of the remuneration of the Senior Executives who are considered by Next Science to be Key Management Personnel are set out in the Remuneration Report contained within the 2023 Annual Report.

PRINCIPLE 2: THE BOARD IS STRUCTURED TO BE EFFECTIVE AND ADD VALUE

NOMINATION COMMITTEE

During 2020, the Board renamed its 'Remuneration and Nomination Committee' as the 'People, Culture and Remuneration Committee', and removed nomination responsibilities from the Committee's remit and returned nomination responsibilities to the full Board.

In conjunction with these changes, the Board adopted a protocol to govern the recruitment and appointment of new directors. The protocol sets out that a Nomination Committee will be established as and when required and will comprise only non-executive directors and at least three members, with the majority assessed by the Board to be independent.

The Board protocol provides that the Nomination Committee will be responsible for:

- making recommendations to the Board in respect of the recruitment process for a new director;
- engaging a recruitment consultant (if required) to undertake a search for suitable candidates;
- undertaking a review of the balance of skills, knowledge, experience, expertise, independence, diversity and commitment on the Board, identifying any gaps and reporting to the Board on the outcome of the review;
- making recommendations to the Board in relation to the description to be provided to the recruitment consultant in respect of the desired character, skills, knowledge, experience, expertise, independence, diversity and commitment of candidates;
- identifying and evaluating candidates and recommending to the Board suitable candidates for appointment as a director;
- ensuring that appropriate checks are undertaken before a new director is appointed;
- overseeing the preparation and execution of letters of appointment; and
- making recommendations to the Board in respect of an effective induction program.

PEOPLE, CULTURE AND REMUNERATION COMMITTEE

The People, Culture and Remuneration Committee (**PCRC**) comprises three non-executive directors who are considered by the Board to be independent – Dan Spira (Chair of the PCRC), Aileen Stockburger (Chair of the Board) and Grant Hummel.

PEOPLE, CULTURE AND REMUNERATION COMMITTEE (CONT.)

Under its Charter, the PCRC is responsible for reviewing and making recommendations to the Board in relation to talent and succession planning. This includes reviewing, at least annually the Board's balance of skills, knowledge, experience, expertise, independence, diversity and commitment and reporting to the Board on any gaps identified in the Board's collective skills which need to be addressed by professional development or the appointment of a new director.

For details regarding the number of meetings of the PCRC and attendance at those meetings, please refer to the Directors' Report contained within the Company's 2023 Annual Report.

BOARD SKILLS MATRIX

The Board has developed a Skills Matrix to capture the mix of skills that the Board currently has and seeks to maintain in its membership. The Board has identified the skills, knowledge and experience on the Board using a self-assessment questionnaire in which Directors were asked to rate their level of proficiency in each skill area.

The Board considers that its current mix of skills and experience is appropriate for the Board to discharge its obligations effectively.

The Board's current assessment of its skills coverage is set out in the table below:

SKILL	OVERVIEW	STRENGTH OF SKILL (%)
Healthcare industry - Leadership	Executive position or director role for other healthcare entities (past or present)	80%
Healthcare industry - R&D	Experience in research and development of medical products/devices including pre-clinical development and clinical trials	60%
Healthcare industry - Market Access / Sales & Marketing	Experience in market access and sales and marketing of medical products/devices including licensing, marketing and legal compliance	67%
Strategy	Experience in growing a business, identifying and critically assessing opportunities and threats and overseeing implementation of corporate strategies including assessing performance against strategy.	100%
Financial Acumen	Experience at an executive or director level in financial accounting and reporting, audit, corporate finance, internal financial controls and capital management	87%
Public Policy, Regulatory Affairs, Legal & Risk Management	Experience at a senior level in public and regulatory policy, including knowledge of how changes in policy affect entities and implications for product development and commercialisation and in identification, monitoring and management of financial and non-financial risks, (including legal and regulatory compliance and workplace health & safety)	73%
People and Culture	Board committee or senior executive experience relating to people management and human resources (including the promotion of diversity, inclusion and equality), corporate culture and remuneration matters	93%
Governance	Experience as a director or KMP of another listed company (past or present) and knowledge and experience in recommended governance practices including risk management	80%
International Markets	Experience at an executive or board level of operating in international markets	80%

COMPOSITION OF THE BOARD

Next Science's Board comprises five Directors including one Managing Director. All of the Directors have been assessed by the Board as being independent other than the Managing Director due to his executive role as set out in the table below:

DIRECTOR	INDEPENDENT STATUS	APPOINTMENT DATE
Aileen Stockburger	Independent Non-Executive Chair	23 October 2018
Harry Hall I.V.	Managing Director (Non-independent)	10 July 2023
Daniel Spira	Independent Non-Executive Director	20 October 2017
Grant Hummel	Independent Non-Executive Director	23 August 2023
Katherine Ostin	Independent Non-Executive Director	24 October 2023

Next Science's Board Charter provides that an independent non-executive director is one who:

- i. is independent of management;
- ii. is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their unfettered and independent judgment; and
- iii. otherwise meets the criteria for 'independence' set out in the current edition of the ASX Recommendations.

Next Science's Board Charter requires each Non-Executive Director to provide to the Board all information relevant to the assessment of his or her independence and must disclose to the Board any actual, perceived or potential conflicts of interest or duty, or matter that may bear on their independence and might reasonably be thought to exist, as soon as the situation arises.

As a standing item at each Board meeting, the Chair of the Board invites Directors to declare any new interests or affiliations.

Next Science's People, Culture and Remuneration Committee is responsible for assessing, at least annually, the independence of individual Directors and making recommendations to the Board where the Committee considers that a Director's independent status has changed. If the Board's assessment of a Director's independent status changes, this will be disclosed by way of an announcement to ASX.

NON-EXECUTIVE DIRECTOR MINIMUM SHAREHOLDING POLICY

To align the interests of Non-Executive Directors and Executives with Next Science's shareholders, at the time of listing on ASX, Next Science adopted a Minimum Shareholding Policy. The Minimum Shareholding Policy requires Non-Executive Directors to hold the equivalent of one year's after-tax director's fees (excluding any committee fees) within three years of appointment to the Board. The minimum can be achieved by either acquiring shares on market (subject to Next Science's Securities Trading Policy), or salary sacrificing director fees into equity.

Aileen Stockburger and Dan Spira both salary sacrificed their director fees into equity for the first 12 months after Next Science's admission to ASX.

The Managing Director and Chief Technical Officer are prohibited from disposing of Next Science shares acquired from equity-based incentive plans (other than to fund any associated tax liability arising on vesting of the equity) unless immediately after that disposal they continue to hold Next Science shares with a value equal to or greater than three times their annual base salary after tax.

All other key management personnel are prohibited from disposing of Next Science shares acquired from equity-based incentive plans (other than to fund any associated tax liability arising on vesting of the equity or to fund the exercise price of options issued under an employee incentive plan) unless immediately after that disposal they hold Next Science shares equivalent to their annual base salary after tax in the previous year.

NON-EXECUTIVE DIRECTOR MINIMUM SHAREHOLDING POLICY (CONT.)

The holdings of Directors and all other key management personnel are assessed on an annual basis to monitor compliance with the Minimum Shareholding Policy. As at 31 December 2023, all Directors and key management personnel were assessed as being in compliance with the Policy.

INDUCTION AND EDUCATION

Next Science has an induction program for new directors to assist them in becoming familiar with the Group, its executives, its business and its regulatory environment. The Nomination Committee, where established from time-to-time, is responsible for making recommendations to the Board in respect of the Company's induction program.

In accordance with its Charter, the People, Culture and Remuneration Committee reviews at least annually the Board's skills matrix and reports to the Board on any gaps identified which need to be addressed by professional development or the appointment of a new director.

PRINCIPLE 3: THE BOARD INSTILS A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

CODE OF CONDUCT, STATEMENT OF VALUES, WHISTLEBLOWER POLICY AND ANTI-BRIBERY AND CORRUPTION POLICY

Next Science's purpose is healing people and saving lives by addressing the impacts of biofilms on human health.

Next Science strives to significantly improve patient outcomes, elevate physician efficacy, and create value within the overall healthcare system through relentless innovation and commitment to education and research on biofilm elimination, infection prevention, and treatments for inflammatory diseases.

Next Science's Values guide the actions and decision-making of staff. Our Values are:



Next Science is committed to conducting its business in an ethical and honest way and with the highest level of integrity.

Next Science has adopted a Code of Conduct. The object of the Code of Conduct is to clearly articulate the standard of behaviour expected of individuals working for the Group, including directors, officers, employees, contractors, consultants and service providers. The Code aims to protect and promote the interests and reasonable expectations of the Company's key stakeholders including shareholders, employees, customers, suppliers, creditors, consumers and the broader community.

Next Science's Statement of Values and Code of Conduct are inherently linked. Our Values underpin the Code of Conduct and Next Science's governance charters and policies complement the standards and behaviours established by the Code of Conduct.

CODE OF CONDUCT, STATEMENT OF VALUES, WHISTLEBLOWER POLICY AND ANTI-BRIBERY AND CORRUPTION POLICY (CONT.)

To reinforce the standards set in the Code of Conduct in the context of international dealings and promote Next Science's commitment to participating as a strong competitor in the global healthcare market without the use of bribery or other corrupt practices, Next Science has established an Anti-Bribery and Corruption Policy. The Policy details Next Science's zero tolerance approach to acts of bribery and corruption by staff and third-party representatives and puts them on notice that any breach of the Policy will be regarded as a serious matter.

In recognition of the important role whistleblowing can play in the early detection of misconduct and the fact that individuals who are considering disclosing misconduct may fear retribution or other detriment and require an assurance of protection, Next Science has adopted a Whistleblower Policy. The Policy establishes an internal reporting system which ensures protection for individuals who report suspected or known misconduct and encourages employees and Next Science's partners to report misconduct.

New employees are provided with training in respect of Next Science's key governance policies (including Next Science's Code of Conduct, Anti-Bribery and Corruption Policy, Continuous Disclosure Policy, Diversity and Inclusion Policy, Securities Trading Policy and Whistleblower Policy) within one month of the commencement of their employment with the Group. Existing employees are provided with refresher training in respect of Next Science's key policies on an annual basis.

Next Science's Code of Conduct and Anti-Bribery and Corruption Policy each state that reports of suspected or known violations of the Code or Policy should be made by following the procedures set out in the Whistleblower Policy. All disclosures made under the Company's Whistleblower Policy must be reported to the Audit and Risk Committee (respecting at all times a discloser's request for their identity to remain confidential).

PRINCIPLE 4: THE BOARD SAFEGUARDS THE INTEGRITY OF CORPORATE REPORTS

AUDIT AND RISK COMMITTEE

The Board established an Audit and Risk Committee (**ARC**) prior to the Company's admission to ASX. The ARC comprises three members, all of whom are Non-Executive Directors and are considered by the Board to be independent. The members of the ARC and their relevant qualifications are:

- Katherine Ostin, ARC Chair and independent Non-Executive Director - B Com (Accounting and Finance) University of New South Wales. Graduate of the Australian Institute of Company Directors (AICD), Member of Chartered Accountants Australia and New Zealand (CA), Fellow of the Financial Services Institute of Australasia (FINSIA).
- Aileen Stockburger, Board Chair, ARC member and independent Non-Executive Director – Bachelor of Science in Economics, Concentration in Accounting and MBA, The Wharton School, University of Pennsylvania; Certified Public Accountant; GAICD
- Grant Hummel, ARC member and independent Non-Executive Director – Bachelor of Science in Molecular Genetics and a Bachelor of Laws (Honours) from the University of Tasmania, Grad Dip Applied Science and Investment from FINSIA.

Whilst the ARC complies with the ASX Recommendations as at the date of this Statement, its composition did not comply with the ASX Recommendations throughout the period in that for parts of the period, the Chair of the Committee was not independent and the Chair was also the Chair of the Board.

During the period 1 January 2023 to 30 June 2023, the Chair of the Audit and Risk Committee was Bruce Hancox who was a Non-Executive Director but was assessed by the Board as not being independent. Following Mr Hancox's resignation as a Director effective 30 June 2023, an independent Non-Executive Director, Aileen Stockburger, was appointed to the role of Chair of the ARC.

Ms Stockburger was subsequently appointed as Chair of the Board following Mark Compton's resignation for personal reasons. Ms Stockburger was the Chair of the ARC and also the Chair of the Board during the period 23 August 2023 to 23 October 2023.

On 24 October 2023, Katherine Ostin was appointed to the Board as an independent Non-Executive Director and was appointed as Chair of the ARC. From this date, the composition of the ARC met the ASX Recommendations in full.

Further information on the members of the ARC is available on pages 25 to 29 of the Company's 2023 Annual Report.

Information on the number of ARC meetings held during the reporting period, and attendances at those meetings, is provided on page 30 of the Company's 2023 Annual Report.

CEO AND CFO DECLARATIONS

Before the Board approves annual, half year and quarterly financial reports, written declarations are provided by the Managing Director and Chief Executive Officer and Chief Financial Officer as recommended in the ASX Recommendations and in the case of annual financial reports, as required by section 295A of the Corporations Act.

The declarations are a declaration that:

- i. in the opinion of the Managing Director and Chief Executive Officer and Chief Financial Officer:
 - the financial records of the Group for the relevant financial period have been properly maintained;
 - the financial statements have been prepared in accordance with applicable accounting standards;
 - the financial report gives a true and fair view of the financial position and performance of the Group; and
- ii. their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

PROCESS TO VERIFY THE INTEGRITY OF NON-AUDITED PERIODIC CORPORATE REPORTS

The process established by the Company to verify the content of any periodic corporate report that is not audited or reviewed by the external auditor (such as quarterly activity and cash flow reports) varies depending on the nature of the report, but typically includes:

1. non-financial components of the report are initially prepared by the Managing Director and Chief Executive Officer, the Chief Financial Officer, the Company's Investor Relations Advisor and/or the Company Secretary, based on matters known to them or with reference to source documentation.
2. financial components of the report are initially prepared by a member of the finance team and reviewed by the Chief Financial Officer based on the Chief Financial Officer's first-hand knowledge of the Company's financial position and are informally reviewed by the external auditor.
3. each of the individuals engaged in the preparation of or commentary on the initial draft of the report is responsible for identifying any material that is potentially misleading or inaccurate having regard to their knowledge of Next Science's activities and position.
4. the draft report is then circulated to the Continuous Disclosure Committee which comprises the Managing Director and Chief Executive Officer, the Chief Financial Officer and the Company Secretary for their review and comments.
5. all financial reports are reviewed by the ARC and the report is then considered for approval by the Board.

AUDITOR AGM ATTENDANCE

Representatives of Next Science's external auditor, KPMG, attend the Company's annual general meeting each year. Representatives of KPMG will be present and available at the 2024 Annual General Meeting to answer shareholder questions on:

- the conduct of the independent external audit for the year ended 31 December 2023;
- the preparation and content of the independent external auditor's report;
- the accounting policies adopted in relation to the preparation of the financial statements; and
- the independence of KPMG in relation to the conduct of the audit.

PRINCIPLE 5: THE BOARD MAKES TIMELY AND BALANCED DISCLOSURE

CONTINUOUS DISCLOSURE

Next Science takes very seriously its continuous disclosure obligations, as it does all legal obligations. Next Science has adopted a Continuous Disclosure Policy which sets out the procedures that apply to the collection, control, assessment and if required, release to the ASX, of information that may have a material effect on the price or value of Next Science securities or influence persons who commonly invest in securities in deciding whether to buy or sell Next Science securities.

As a standing agenda item at each Board meeting, the Board considers whether any matters reported or discussed during the meeting need to be disclosed to the market pursuant to Next Science's continuous disclosure obligations.

The Board receives copies of all ASX announcements made by the Company promptly after release on the ASX market announcements platform.

Next Science's Continuous Disclosure Policy stipulates that communications with the investment community, including retail and institutional investors, analysts and investment banks may only be undertaken by persons who are authorised by the Board to do so. Prior to making a new and substantive investor or analyst presentation, Next Science releases a copy of the presentation on the ASX and material information is not discussed with the investment community unless it has first been disclosed on the ASX.

To address the heightened risk of investors perceiving that Next Science staff might be making financial gains by dealing on the basis of inside information leading up to the release of quarterly, half year and full year reports, Next Science prohibits Directors and the executive leadership team from dealing in Next Science securities during these periods. The dealing restrictions imposed by the Company are set out in the Company's Securities Trading Policy.

PRINCIPLE 6: THE BOARD RESPECTS THE RIGHTS OF SECURITY HOLDERS

NEXT SCIENCE'S WEBSITE

Next Science's website (<https://www.nextscience.com/>), provides ready access to information about Next Science, the Board, the leadership team, the Company's products and the Company's governance arrangements. The website includes an investor section providing information about Next Science's share price performance, ASX announcements, including financial reports and investor presentations, and information on shareholder meetings.

INVESTOR RELATIONS

Next Science uses a number of channels and technologies, including webcasting and email broadcasts, to communicate promptly, transparently and widely.

Next Science has established a dedicated email address for investor queries: investorqueries@nextscience.com. This email address is set out in Next Science's Investor Centre and on the Contact us page of the website.

Next Science's investor relations program includes investor briefings following the release of half-year and annual financial statements. The briefings are presented via a webinar and are accessible to all interested individuals. Webinar access details are made available on the ASX market announcements platform ahead of the briefing and investors are invited to submit questions prior to the webinar or to ask questions during the webinar.

Shareholders and other interested parties can subscribe to receive an email alert when Next Science releases an ASX announcement, via the Shareholder Communications page on the website.

Next Science encourages shareholders to provide the Company with their email address so that they can receive shareholder communications electronically. Next Science considers electronic communications to be preferred over post as they are quick, have minimal impact on the environment and are cost-effective.

INVESTOR RELATIONS (CONT.)

Next Science sends meeting documentation and annual reports to shareholders either by email, if a shareholder has elected electronic communications, or by providing access to the documents electronically, unless the recipient Shareholder has elected to be sent the documents in physical form or elected to not be sent the documents.

SHAREHOLDER ENGAGEMENT AND PARTICIPATION

Next Science facilitates and encourages participation at shareholder meetings by offering shareholders the following methods of voting:

- lodging votes online via the share registry's investor platform either prior to or during the meeting;
- subject to health or other legal requirements, attending the meeting in person and voting; or
- appointing a proxy to attend the meeting and vote on the shareholder's behalf.

Voting on all resolutions put by the Company at shareholder meetings are decided by way of a poll rather than a show of hands.

Shareholders have the opportunity to submit questions and comments to Next Science and its external auditor ahead of shareholder meetings by way of the question function offered on the share registry's online voting platform. Next Science also provides opportunities for shareholders to ask questions during a meeting in person or via the online meeting facilities.

PRINCIPLE 7: THE BOARD RECOGNISES AND MANAGES RISK

RISK MANAGEMENT

The Board is responsible for considering, approving and monitoring the Group's risk management, accountability, compliance and control systems. The Board has established an Audit and Risk Committee (ARC) to assist it with these responsibilities.

As detailed under Principle 4, whilst the composition of the ARC complies with the ASX Recommendations as at the date of this Statement, its composition did not comply with the ASX Recommendations throughout the period in that for parts of the period, the Chair of the Committee was not independent.

The ARC's responsibilities in respect of risk management include to:

- oversee the establishment and maintenance by management of processes to ensure there is an adequate and effective system to identify and manage material business risks;
- monitor and evaluate the adequacy of risk management procedures by receiving reports from management and the external auditor;
- conduct an annual review of the Company's risk management framework to satisfy itself that it continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board;
- establish procedures for the receipt, retention and handling of concerns regarding accounting and audit matters;
- review and evaluate the procedures the Company has in place to ensure compliance with the laws and regulations in the countries in which it operates;
- review the Company's policies and culture with respect to the establishment and observance of appropriate ethical standards;
- assess management's compliance with the limits set out in the delegated authority framework established by the Board; and
- review the Company's annual insurance plan and maintain oversight of insurance activities.

The ARC's work during the reporting period addressed each of the responsibilities detailed in the ARC Charter.

The Board, with the assistance of the ARC, undertakes an annual review of the risk management framework. This annual review was undertaken during the reporting period and the risk management framework was assessed by the Board as sound.

QUALITY MANAGEMENT

Since 2017, the Group has maintained a Quality Management System (**QMS**) that meets the FDA, TGA and European Union Medical Device regulations. The QMS has been audited annually by various agencies including the FDA and an independent accreditation organisation, Dekra. The QMS system and independent certification process ensure that Next Science meets the medical device and combination drug product standards and regulations established for the markets in which Next Science sells its products.

During the 2022 financial year, Next Science started a Durable Medical Equipment (**DME**) business to better serve the wound care market. As the DME business serves patients with a prescription, it is regulated by the United States Center for Medicare and Medicaid Services (**CMS**).

Next Science implemented over 100 new policies and procedures to meet the requirements for operating a DME business. These policies and procedures were in addition to those the Group has in place to meet FDA requirements applicable to the Group as a medical device business. The policies and procedures covered topics ranging from patient bill of rights and complaint handling to safety of personnel in the field to monitoring of business performance.

The procedures were audited by the Board of Certification (**BOC**), an independent, not for profit organisation dedicated to supporting quality patient care and were certified by CMS. Additionally, the Group underwent a CMS Program Audit prior to receiving authorisation to file claims with CMS.

Next Science has designated the Chief Operating Officer as the Group's Chief Compliance Officer and Chief Privacy Officer. The Chief Compliance Officer is the person whom patients and families have as their advocate to handle complaints and other grievances that are presented to the Group. The Chief Privacy Officer is responsible for ensuring that a patient's Protected Health Information (**PHI**), including electronic records, is handled appropriately by all employees of the Group.

INTERNAL AUDIT

Given its size, the Group does not have an internal audit function. As Next Science's business operations continue to develop, the Board, with the assistance of the ARC, will review the need for establishing an internal audit function.

ENVIRONMENTAL AND SOCIAL RISKS

Information on the material risks associated with the development of medical devices is provided on page 23 of the Company's 2023 Annual Report and the notes to the financial statements.

The Board and management have not identified any material exposure to environmental risks. The Board has identified a material exposure to a social risk – the risk of a product defect or recall. Next Science actively manages this risk through its ISO certified product quality system as well as establishing a product recall insurance program.

PRINCIPLE 8: THE BOARD REMUNERATES FAIRLY AND RESPONSIBLY

REMUNERATION PRACTICES

As detailed under Principle 2 above, the Board has established a People, Culture and Remuneration Committee (**PCRC**). The responsibilities of the PCRC in respect of remuneration include:

- reviewing the Group's remuneration framework and policies to confirm that they support Next Science's strategic objectives and encourage and sustain a culture aligned with Next Science's values and the Board's risk appetite;
- reviewing and making recommendations to the Board on:
 - the remuneration of non-executive directors;
 - any proposed increase to the non-executive director fee pool;
 - the remuneration arrangements, including fixed and short-term and long-term variable remuneration, for the Managing Director and in consultation with the Managing Director, executives reporting to the Managing Director; and

- the remuneration outcomes for the Managing Director and in consultation with the Managing Director, executives reporting to the Managing Director.

Details regarding the number of meetings of the PCRC and the attendance at those meetings during the reporting period, are provided on page 30 of the 2023 Annual Report.

REMUNERATION POLICIES AND PRACTICES

Information on Next Science's policies and practices regarding the remuneration of Non-Executive Directors and the remuneration of the Managing Director and other senior executives are set out on pages 32 to 47 of Next Science's 2023 Annual Report. Next Science clearly distinguishes the structure of Non-Executive Directors' remuneration from that of Key Management Personnel.

EQUITY-BASED REMUNERATION SCHEME

Next Science has adopted a Securities Trading Policy, a copy of which has been released on ASX and is available on Next Science's website. The Securities Trading Policy prohibits Directors and executives who participate in an equity-based incentive plan from entering 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 entitlements granted under the plan.