

A close-up photograph of a Ferrari SF90's carbon fiber wheel and suspension. The wheel features a central hub with the Ferrari prancing horse logo and a 'CARBON REVOLUTION' badge. The suspension components are yellow, with 'F1' branding. The tire is a Michelin Pilot Sport GT. The background shows the white body of the car with a yellow Ferrari shield logo.

CORPORATE 2020 GOVERNANCE STATEMENT

TABLE OF CONTENTS

1 /	CARBON REVOLUTION'S APPROACH TO CORPORATE GOVERNANCE	3
2 /	THE BOARD	4
3 /	PEOPLE AND REMUNERATION	7
4 /	AUDIT, RISK MANAGEMENT AND ASSURANCE	14
5 /	ENGAGEMENT WITH SHAREHOLDERS	17
6 /	CORPORATE GOVERNANCE POLICIES	19

1 / CARBON REVOLUTION'S APPROACH TO CORPORATE GOVERNANCE

The Board is committed to conducting the business of Carbon Revolution in accordance with high standards of corporate governance and with a view to creating and delivering value for Carbon Revolution's shareholders while taking into account the interests of other stakeholders, including employees, customers, suppliers and the wider community.

The Board considers that high standards of corporate governance are a cornerstone to creating long-term and sustainable shareholder value, and fostering a culture of personal and corporate integrity and compliance which values ethical, lawful, and responsible behaviour, accountability, fairness, transparency and respect for others.

Carbon Revolution's values are set out in more detail in the Code of Conduct which is available at the Corporate Governance section of the Company website at the following address:
<https://investors.carbonrev.com/Investor-Centre/?page=corporate-governance>.

The Board is committed to fulfilling its corporate governance responsibilities in the best interests of Carbon Revolution and its stakeholders. Accordingly, the Board has created a framework for managing Carbon Revolution, including adopting relevant internal controls, risk management processes and corporate governance policies and practices that it believes are appropriate for Carbon Revolution's business and that are designed to promote the responsible management and conduct of Carbon Revolution.

This statement describes the principal features of Carbon Revolution's governance arrangements which have been in place since listing on 29 November 2019. These arrangements are consistent with the 4th edition of the ASX Corporate Governance Principles and Recommendations ('ASX Recommendations'), unless otherwise indicated below.

This Corporate Governance Statement has been approved by the Board and is current as at 24 August 2020.

Copies of Carbon Revolution's key corporate governance policies and the charters for the Board and each of its committees are available at the Corporate Governance section of the Company website.

2 / THE BOARD

2.1 BOARD ROLE AND RESPONSIBILITIES

The Board is responsible for the overall corporate governance of Carbon Revolution. The Board has adopted a written charter to provide a framework for the effective operation of the Board, which sets out:

- the Board's composition;
- the Board's role and responsibilities;
- the relationship and interaction between the Board and management; and
- the authority delegated by the Board to management and Board committees.

The Board's role is to:

- represent and serve the interests of Shareholders by overseeing and appraising Carbon Revolution's strategies, policies, and performance. This includes overseeing the financial and human resources Carbon Revolution has in place to meet its objectives and reviewing management performance;
- protect and optimise Carbon Revolution's performance and build sustainable value for Shareholders in accordance with any duties and obligations imposed on the Board by law and the Constitution and within a framework of prudent and effective controls that enable risk to be assessed and managed;
- set, review and monitor compliance with Carbon Revolution's values and governance framework (including establishing and observing high ethical standards); and
- ensure Shareholders are kept informed of Carbon Revolution's performance and major developments affecting its state of affairs.

While the Board retains ultimate responsibility for the strategy and performance of Carbon Revolution, the day-to-day operation of Carbon Revolution is conducted by, or under the supervision of, the Chief Executive Officer as directed by the Board. Management must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively. Directors are entitled to request additional information at any time when they consider it appropriate.

The Board collectively, and each Director individually, has the right to seek independent professional advice, subject to the approval of the Chair or the Board as a whole.

Further detail on the respective roles and responsibilities of the Board and management is set out in the Board Charter, a copy of which is available at the Corporate Governance section of the Company website.

During FY20 the Company updated its delegated authority levels and implemented a Delegation Policy which defines authorities delegated by the Board to management and clarifies the authority levels reserved to the Board.

The Board has established an Audit and Risk Committee, and a Remuneration and Nomination Committee. Other committees may be established by the Board as and when required. Further detail on the respective roles and responsibilities of the Committees of the Board is set out in sections 3 and 4 below. The number of times each committee met through FY20 is set out in section 4.2 of the 2020 Annual Report.

2.2 COMPOSITION OF THE BOARD

The Board of Directors is comprised of seven Directors: an Independent Chair, the Chief Executive Officer and five independent Non-Executive Directors.

Director	Independent	Term	Qualifications
James Douglas, Chair	Y	Director since 2011 and Chair since 2012	BSc, LLB, GAICD
Jake Dingle, Managing Director and CEO	N	Director since 2008 and CEO and MD since 2012	BE Mech, MBA, GAICD
Bruce Griffiths OAM	Y	Director since 2014	GAICD
Lucia Cade	Y	Director since 2018	BE, M Eng Sc, BEc, MBA, FEA, FAICD
Dale McKee	Y	Director since 2018	BBus, FCA
Mark Bernhard	Y	Director since 2019	BBus, MBA, GAICD
Peter Lewinsky	Y	Director since 2019	BEc, MBA, FCA, FAICD

Detailed biographies of the Directors, including their qualifications and experience, are available on the Company's website and in the FY20 Annual Report located at section 4.1.

2.3 DIRECTOR INDEPENDENCE

The Board considers a Director to be independent where he or she is free of any interest, position or relationship that might influence, or might reasonably be perceived to influence, in a material respect, his or her capacity to bring independent judgment to bear on issues before the Board and to act in the best interests of Carbon Revolution as a whole rather than an individual Shareholder or other party. The Board reviews the independence of each Non-Executive Director in light of information disclosed to the Board.

The Board Charter sets out guidelines to assist in considering the independence of Directors and has adopted a definition of independence that is based on the 4th edition ASX Recommendations.

The Board considers that each of James Douglas, Bruce Griffiths, Lucia Cade, Dale McKee, Mark Bernhard and Peter Lewinsky is free from any interest, position, association or relationship that might influence, or might reasonably be perceived to influence, in a material respect, his or her capacity to bring independent judgment to bear on issues before the Board and to act in the best interests of Carbon Revolution and its shareholders generally and is able to fulfil the role of an independent director for the purposes of the ASX Recommendations.

James Douglas previously held an executive position with Carbon Revolution as Chief Financial Officer within three years of his appointment to the position of Chair. The Board has concluded that Mr Douglas' previous executive position does not interfere with or compromise his ability to exercise objective or independent judgment in relation to matters before the Board, or with his ability to act in the best interests of the Company as a whole. Accordingly, the Board has determined that Mr Douglas is an Independent Director.

Jake Dingle is not considered by the Board to be an Independent Director as he is the Chief Executive Officer of Carbon Revolution.

2.4 COMPANY SECRETARY

The Company Secretary is accountable to the Board on all matters to do with the proper functioning of the Board. All Directors have direct access to the Company Secretary and vice versa. A decision to appoint or remove the Company Secretary requires Board approval. Further details about the Company Secretary can be found in section 4.1.1 of the 2020 Annual Report.

3 / PEOPLE AND REMUNERATION

3.1 REMUNERATION AND NOMINATION COMMITTEE

Under its charter, this Committee must consist of a minimum of three members of the Board, only Non-Executive Directors, a majority of Independent Directors and an Independent Director as chair. The Remuneration and Nomination Committee comprises:

- Bruce Griffiths (Chair);
- Lucia Cade; and
- Mark Bernhard.

The responsibilities of the Remuneration and Nomination Committee include:

- reviewing and recommending to the Board remuneration arrangements for Non-Executive Directors;
- reviewing and recommending to the Board employment and remuneration arrangements for the CEO and the senior executive team;
- approving major changes and developments in Carbon Revolution's policies and procedures related to remuneration, recruitment, retention, termination, and performance assessment for senior management;
- reviewing Carbon Revolution's remuneration framework to confirm it encourages a culture aligned with the Company's values, supports the Company's strategic objectives, and is aligned with the Company's risk management framework;
- overseeing the operation of Carbon Revolution's employee equity incentive plans and recommending to the Board whether offers are to be made under any of Carbon Revolution's employee incentive plans in respect of a financial year;
- reviewing and recommending to the Board the terms of any incentive offers made to the CEO and other members of the senior executive team;
- reviewing and recommending to the Board the size and composition of the Board, including reviewing Board succession plans and the succession of the Chair;
- reviewing the succession plans for the CEO and other senior executives; and
- in accordance with the Diversity and Inclusion Policy, developing and recommending to the Board measurable objectives for achieving gender diversity in the composition of the Board, senior executives, and workforce generally, and assessing Carbon Revolution's progress in achieving those objectives.

All Non-Executive Directors who are not members of the Remuneration and Nomination Committee have a standing invitation to attend Remuneration and Nomination Committee meetings, and often do. Non committee members, including members of management, may attend all or part of a meeting of the Committee at the invitation of the Committee Chair.

A copy of the Remuneration and Nomination Committee Charter is available at the Corporate Governance section of the Company website.

3.2 BOARD SKILLS

The objective of the Board is that its membership should comprise Directors with a broad range of skills, expertise, and experience from a broad range of backgrounds, including gender, that allows the Directors individually, and the Board collectively to discharge their responsibilities and duties, having regard to the Company's business and the industry and markets in which it operates.

During FY20 the Board developed a matrix of skills and experience which the Board considers are most appropriate to enable the Board to discharge its duties and deliver the Company's strategic objectives. The Board Skills Matrix is set out below.

Skills	Criteria
Financial Acumen	Senior experience in financial accounting and reporting, corporate finance, and internal financial controls, including an ability to probe the adequacies of financial and risk controls.
Strategy	Experience in developing and implementing successful strategies in high growth enterprises with long implementation timelines, large research and development (R&D) programs, and complex supply chains.
People and Culture	Board Human Resources Committee membership or senior executive equivalent experience in remuneration design and governance, workplace culture, talent management and succession planning.
Governance	Experience in identifying and resolving legal and regulatory issues. Experience and deep knowledge of governance requirements for listed entities and for driving improvements in health and safety, environment, and social responsibility.
Technology Development and Commercialisation	Experience commercialising technology, building businesses and transitioning businesses. Management or involvement in R&D in a high technology risk environment.
Advanced manufacturing	Experience in composites manufacturing, complex manufacturing systems and process controls.
Automotive and Aerospace Industry	Experience in global automotive or aerospace industries, particularly: product development processes; sales and marketing of new technology to OEMs and managing inputs and deliveries as part of a global supply chain.
Capital Markets and Programs	Senior experience in capital markets, capital raising and stakeholder management. Experience in managing all elements of the balance sheet. Strong relevant networks. Experience working in industries with projects involving large scale capital outlays with long-term investment horizons.
Global Experience	Senior leadership experience in the USA, Europe or North Asia. Exposed to a range of political, cultural, regulatory and business environments. Experience managing international growth.

The Remuneration and Nomination Committee will use the skills matrix to:

- ensure there is a range of skills and experience in the membership of the Board to enable the Board to fulfil its responsibilities;
- assist in determining professional development opportunities for Directors; and
- guide the selection of new Directors.

Directors are expected to undertake any necessary continuing professional education to enable them to discharge their duties, and we periodically review the capabilities of our Directors to ensure they maintain the skills and knowledge to do so.

3.3 BOARD PERFORMANCE EVALUATION

During FY20, the Board (with the assistance of an external consultant) conducted a survey of Directors and certain members of senior management to assess the performance of the Board as a whole, the Remuneration and Nomination Committee, and individual Directors. A similar survey will be conducted in relation to the Audit and Risk Committee following the completion of the Company's first full year reporting as a listed company. The key findings of these reviews were discussed at the following Board meeting.

3.4 ENGAGEMENT AND REMUNERATION OF NON-EXECUTIVE DIRECTORS

Upon appointment, each Director receives a letter of appointment.

An induction process is in place in which new Directors are given opportunities to meet with senior executives and tour the facility at Waurm Ponds and are provided with key materials including Board and Committee charters and the Company's core corporate governance policies.

Non-Executive Directors receive a fixed amount of fees for their services. Further details in relation to the remuneration of Non-Executive Directors is contained in the Remuneration Report located at section 4.3 of the 2020 Annual Report.

3.5 APPOINTMENT AND SUCCESSION OF NON-EXECUTIVE DIRECTORS

A Director appointed to the Board must stand for election at the next Annual General Meeting (AGM). Directors must stand for re-election at the third AGM following their election. There is no limit on Director tenure. A recommendation that the Board supports an existing Director standing for election or re-election is not automatic.

Potential candidates for the Board as well as Directors standing for re-election will be assessed according to a number of factors, including but not limited to:

- skills, experience and knowledge, that will best complement the skill set and characteristics of existing Directors and enhance Board effectiveness;
- personal qualities and attributes which align with the Company's values;
- diversity of Board composition;
- capacity to devote the time and commitment to the role; and
- potential conflicts of interest and independence.

Appropriate background checks, including as to the person's character, experience, education, criminal record and bankruptcy history, will be performed before any potential candidate is appointed by the Board or recommended to shareholders as a candidate for election or re-election.

Carbon Revolution will provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.

3.6 ENGAGEMENT AND REMUNERATION OF SENIOR EXECUTIVES

The Board oversees the remuneration framework both directly and through the Remuneration and Nomination Committee.

Carbon Revolution's remuneration framework is designed to be appropriate for the listed environment and designed to pay fairly for achieving the business strategy and delivering sustainable value to shareholders and employees. The key principles underlying Carbon Revolution's remuneration framework are:

- performance based;
- market competitive;
- drives strategic and shareholder value;
- promotes employee ownership; and
- simple and fair.

The Company's remuneration framework for the senior executive team comprises the following three key components:

- fixed remuneration – comprising base salary, superannuation contributions and other benefits;
- short-term incentive (STI) – an annual 'at-risk' incentive opportunity typically delivered in cash and deferred equity if specified performance measures are met, designed to drive individual and team performance to deliver annual business plans and increase shareholder value; and
- long-term incentive (LTI) – an annual 'at risk' component of remuneration where senior executives are awarded performance rights which are subject to an earnings per share (EPS) performance condition and a service condition, designed to achieve shareholder alignment through equity ownership, and to deliver shareholder value through performance hurdles.

Carbon Revolution's remuneration framework, policies and practices and full details of the remuneration paid to key management personnel (KMP) are described in detail in the Remuneration Report at section 4.3 in the 2020 Annual Report.

It is the Company's policy that employees who receive equity-based remuneration are not permitted to enter into transactions (whether through the use of derivatives or otherwise) to limit the economic risk of participating in these schemes. The Securities Dealing Policy includes provisions to reflect this position. The Securities Dealing Policy is published in the Corporate Governance section of the Company's website.

The Managing Director / Chief Executive Officer and each senior executive have a written contract with the Company, setting out the terms of their employment including details of their role, responsibilities, and remuneration. Appropriate checks are undertaken before a senior executive is appointed, including as to the person's character, experience, education, criminal record and bankruptcy history.

3.7 SENIOR EXECUTIVE PERFORMANCE EVALUATION

All employees, including senior executives, participate in performance reviews, where achievement of key goals are discussed and assessed and future goals are agreed upon. The Managing Director / Chief Executive Officer undertakes the performance evaluation of the other senior executives. The Board Chair, and Chair of the Remuneration and Nomination Committee, facilitate the performance evaluation of the Managing Director / Chief Executive Officer with ultimate oversight by the Board. A performance evaluation for the Managing Director / Chief Executive Officer and the senior executive team in relation to FY20 took place following completion of the financial year.

3.8 MINIMUM SHAREHOLDING POLICY

During FY20 the Board approved a Minimum Shareholding Policy to promote employee ownership. The Board believes that the interests of all KMP and senior executives should be closely aligned to those of shareholders through significant exposure to the Company's share price and dividends. Accordingly, in FY20 the Board formally resolved that the following minimum shareholding requirements will be implemented progressively over a reasonable period:

- the value of 100 per cent of base fees for Non-Executive Directors;
- the value of 100 per cent of fixed remuneration for the Chief Executive Officer and Chief Financial Officer; and
- the value of 50 per cent of fixed remuneration for senior executives.

3.9 DIVERSITY AND INCLUSION

Carbon Revolution values a diverse and inclusive workplace. The Board and management team believe that a diverse and inclusive workplace will support the ongoing growth and success of the business by:

- improving innovation, creativity, and the quality of decisions;
- fostering the attraction and retention of the best talent;
- improving the employee experience and generating discretionary effort; and
- ultimately improving the solutions provided for our customers.

Our approach to diversity and inclusion is outlined in our Diversity and Inclusion Policy which can be found in the Corporate Governance section of the Company's website.

Given the current profile of its workforce Carbon Revolution is committed to advancing women in the workplace. The Board acknowledges the opportunity to improve female participation particularly at Board and senior executive level and this will be progressively addressed.

Female Representation at Carbon Revolution	FY20
Board	14.1%
Senior executive team (CEO and direct reports)	0%
Salaried Staff (incl Production Group Leaders)	18.5%
Operators	19.1%
Overall workforce (including Board)	18.9%

Carbon Revolution's Diversity and Inclusion Policy requires the Board to set measurable objectives for achieving gender diversity. Given that listing occurred during FY20, the Company did not have formal measurable objectives for achieving gender diversity in FY20. However, on listing, management developed the Diversity and Inclusion Strategy for the business which the Board has approved. This provides the basis for the measurable objectives set for FY21. Progress against these measurable objectives will be disclosed in the FY21 Corporate Governance Statement.

Set out below are the measurable objectives for FY21:

Objective	Description and Measures
<p>1. Leadership and Culture</p> <p>Carbon Revolution recognises the need for leadership to build and sustain a diverse and inclusive culture</p>	<ul style="list-style-type: none"> • Diversity Council established and led by the CEO. Quarterly review meetings to drive progress and strategy • Engage workforce in diversity and inclusion training
<p>2. Attraction, Retention and Career Development of Female Talent</p> <p>Carbon Revolution recognises the current workforce profile and as a growing business will provide opportunities to attract, develop, engage and retain more female employees</p>	<ul style="list-style-type: none"> • Gender pay equity reviews to be completed and reviewed by management and Board • Develop and complete training on managing unconscious bias for HR and line managers
<p>3. Policy Development and Governance</p> <p>Carbon Revolution, as a recently listed organisation, recognises the need for further policy development to build and sustain improvements in diversity and inclusion</p>	<ul style="list-style-type: none"> • Recruitment policies developed to attract more female candidates especially in targeted roles. • Review and update the Parental Leave policy • Design and promote the Flex@CR framework

4 / AUDIT, RISK MANAGEMENT AND ASSURANCE

4.1 AUDIT AND RISK COMMITTEE

Under its charter, this Committee must consist of a minimum of three members of the Board, only Non-Executive Directors, a majority of Independent Directors and an Independent Chair who is not the Chair of the Board. The Audit and Risk Committee comprises:

- Dale McKee (Chair);
- James Douglas; and
- Peter Lewinsky.

The Audit and Risk Committee's responsibilities include:

- reviewing financial and other periodic reports;
- overseeing the relationship with the external auditor and the external audit function generally;
- overseeing the design and implementation of appropriate internal controls and systems and the process for gathering objective assurance on their effective operation; overseeing processes for identifying and managing financial and non-financial risk; and
- overseeing processes for monitoring compliance with laws and regulations.

All Non-Executive Directors who are not members of the Audit and Risk Committee have a standing invitation to attend Audit and Risk Committee meetings, and often do. Non-committee members, including members of management and the external auditor, may attend meetings of the committee at the invitation of the committee chair.

A copy of the Audit and Risk Committee Charter is available in the Corporate Governance section of the Company's website.

4.2 RISK MANAGEMENT AND ASSURANCE

The Board views effective risk management as essential to achieving the Company's operational and strategic objectives.

The Board, both directly and through the Audit and Risk Committee, is responsible for Carbon Revolution's risk management framework.

During the year, the Board reviewed Carbon Revolution's risk management framework to satisfy itself that it is sound and that Carbon Revolution is operating with due regard to the risk appetite set by the Board. The review was undertaken with the assistance of an external consultant and included recommendations to enhance the maturity of the risk management framework and support the development of an assurance process. As a result of this review, improvements to the framework are being implemented during FY21.

Through Carbon Revolution's Risk Appetite Statement, the Board determines the Company's appetite for risk after considering its strategic objectives and other factors including regulatory and legal requirements, shareholder and customer expectations, financial position and organisational culture. The Risk Appetite Statement was reviewed and updated during FY20.

The Audit and Risk Committee has primary responsibility for evaluating the effectiveness of risk management and control processes in the Company. The responsibilities of the Audit and Risk Committee in relation to risk management are detailed in its Charter. Day to day responsibility for managing risk and implementing internal control lies with the senior executive team. The Company is committed to the identification, monitoring and management of risks associated with its business activities and has included in its management and reporting systems a number of risk management controls including the maintenance of risk registers, identification of key risks and their controls, and the inclusion of risk management as a standing agenda item at all regular Audit and Risk Committee meetings.

At this stage, Carbon Revolution does not have a formal internal audit function but management is currently implementing a process for gathering at least equivalent levels of objective assurance on the effective operation of internal controls as would be available from an internal audit function. The ARC will continue to assess whether appropriate levels of objective assurance on the effective operation of internal controls is available.

Further detail in relation to the key risks which Carbon Revolution is exposed to is contained in the Operating and Financial Review section of the 2020 Annual Report.

4.3 ENVIRONMENTAL AND SOCIAL SUSTAINABILITY

Carbon Revolution does not have any material exposure to environmental or social risks. The automotive supply chain has some exposure to the carbon emission regulations being implemented in numerous jurisdictions however the Board expects these regulations will lead to manufacturers increasingly seeking light weighting and efficiency solutions. Carbon Revolution recognises the need for an effective recycling process of end of life wheels. We are initiating activities that will see a greater use of recycled materials within our wheels and a focus on bringing the recycling of our waste streams closer to our facilities or onsite to reduce the distances that they travel. We also anticipate an increasing involvement with potential end users of the recycled materials that we are not able to utilise. A number of end uses for this recycled material exist globally today and this is increasing due to the growth carbon fibre composite manufacturing activities that are producing recycled materials.

Carbon Revolution has developed a Business Ethics and Purchasing Policy, addressing issues including:

- product and plant integrity (including counterfeit and conflict minerals);
- bribery, corruption and money-laundering;
- fair working conditions;
- export controls; and
- environment.

Carbon Revolution is progressively requesting its key suppliers commit to this policy.

4.4 CORPORATE REPORTING

The Company's annual Directors' report and annual and half year financial statements are subject to audit or review by the Company's external auditor.

In addition, Carbon Revolution issues certain periodic corporate reports which are not audited or reviewed by its external auditor.

Such reports are verified internally by management ahead of release to the market. The verification process incorporates cross checking and signing off of financial information and other statements contained in periodic corporate reports by relevant members of management, and as relevant, the Disclosure Committee or the Board.

The Chief Executive Officer and Chief Financial Officer have for FY20 assured the Board through their annual declaration provided in accordance with section 295A of the Corporations Act 2001 (Cth), and through the equivalent quarterly and half yearly declarations, that external financial reporting has been founded on an effective system of risk management and internal controls.

5 / ENGAGEMENT WITH SHAREHOLDERS

Carbon Revolution is committed to transparency and openness in its communication with its shareholders. It works to keep shareholders fully informed regarding developments and important information affecting the Company.

The primary channel for shareholders to access information about Carbon Revolution is the Carbon Revolution website which provides information about the Company generally and includes a dedicated area for investors at <https://investors.carbonrev.com/Investor-Centre/>.

This section includes the following information:

- the Company's Constitution, Board and Committee Charters, and Corporate Governance Policies
- ASX announcements;
- reports and presentations including the Annual Report, financial results and accompanying presentations to the market;
- information about the share price and dividends;
- links to and contact details for Carbon Revolution's share registry, Link Market Services; and
- contact details for enquiries by shareholders and analysts.

Shareholders may send and receive communications with Carbon Revolution and Link Market Services electronically. The annual general meeting is a key opportunity for shareholders to hear the Chief Executive Officer and Chair provide updates on the Company's performance, ask questions of the Board, and to express a view and vote on a poll on the various matters of Company business. Shareholders may also ask questions of the Company's external auditor at the meeting. Carbon Revolution encourages its shareholders to attend its annual general meeting.

Carbon Revolution also commits to dealing with shareholder queries in a respectful and timely manner whenever they are received by the Company. Carbon Revolution has an active investor engagement program in Australia that includes scheduled briefings following half-yearly and annual results reporting and during the AGM period. Other ad hoc briefings are held throughout the year with institutional investors, private investors, analysts, and the media. These briefings and presentations provide an opportunity for two-way communication between Carbon Revolution and these stakeholders.

The Company ensures provision of equal access to material information by observing the following:

- all discussions with investors and analysts are conducted by or with the sanction of the Chief Executive Officer or the Chief Financial Officer, and are limited to explanation of previously disclosed material;
- where information is likely to be materially price sensitive then, in line with its legal obligations and Disclosure Policy, Carbon Revolution immediately discloses the information to the market;
- all formal Carbon Revolution presentations are released to the market prior to delivery; and
- meetings with analysts to discuss financial results are not held during blackout periods.

The Board receives copies of all material market sensitive announcements promptly after they have been made.

The Board considers that the corporate governance policies and processes adopted by the Company follow the recommendations contained in the ASX Recommendations. Details of Carbon Revolution's externally available corporate governance policies are available at the Corporate Governance section of the Company's website at <https://investors.carbonrev.com/Investor-Centre/?page=corporate-governance> and are summarised below.

The Audit and Risk Committee receives information regarding material breaches of the Code of Conduct and Anti-bribery and Corruption Policy, and reports of material incidents under the Company's Speak Up Policy

6 / CORPORATE GOVERNANCE POLICIES

6.1 ANTI-BRIBERY AND CORRUPTION POLICY

Carbon Revolution is committed to acting ethically and has zero tolerance for bribery and corruption. Carbon Revolution has developed an Anti-bribery and Corruption Policy for countering bribery and corruption.

The Anti-bribery and Corruption Policy requires that personnel and business partners of Carbon Revolution must not pay, offer, promise or accept, directly or indirectly, any bribe, kickback, secret commission, facilitation payment, or other form of improper payment, or otherwise breach relevant anti-corruption laws.

The Anti-bribery and Corruption Policy also requires that personnel and business partners of Carbon Revolution must not do any of the following if doing so would constitute a breach of the Anti-bribery and Corruption Policy:

- make political donations on behalf of Carbon Revolution;
- make any charitable or community donations or sponsorships which are or could be perceived as bribes;
- offer, provide or accept gifts, hospitality or travel contrary to the terms of the Anti-Bribery and Corruption Policy;
- falsify or mis-describe any book, record or account relating to Carbon Revolution's business; or
- cause or authorise any of the above conduct or any other conduct which is inconsistent with the Anti-Bribery and Corruption Policy or any anti-corruption laws.

6.2 DISCLOSURE POLICY

As a listed entity, Carbon Revolution is required to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act. Carbon Revolution is aware of its obligation to keep the market fully informed of any information Carbon Revolution becomes aware of concerning Carbon Revolution, which may have a material effect on the price or value of Carbon Revolution's securities, subject to certain exceptions. Carbon Revolution has adopted a Disclosure Policy to reinforce its commitment to addressing its continuous disclosure obligations and to describe the processes in place that enable Carbon Revolution to provide Shareholders with the timely disclosure of material price-sensitive information.

6.3 COMMUNICATIONS STRATEGY

Carbon Revolution aims to keep Shareholders informed of major developments affecting the state of affairs of Carbon Revolution. Carbon Revolution recognises that potential investors and other interested stakeholders may wish to obtain information about Carbon Revolution from time to time. To achieve this, Carbon Revolution will communicate information regularly to Shareholders and other stakeholders through a range of forums and publications, including Carbon Revolution's website, at the annual general meeting, and through this and subsequent annual reports and ASX announcements.

6.4 SECURITIES DEALING POLICY

Carbon Revolution has adopted a Securities Dealing Policy that is intended to explain the types of conduct in relation to dealings in securities that are prohibited by law and establish procedures for the buying and selling of securities to ensure the public confidence is maintained in the reputation of Carbon Revolution, the Directors, and employees and in the trading of Carbon Revolution's securities. The policy provides that Directors and employees must not:

- deal in Carbon Revolution's or another company's securities when they are aware of 'inside' information; and
- hedge unvested equity remuneration or vested equity subject to holding locks.

Directors and employees must also not deal in Carbon Revolution's securities during any of the following blackout periods (except in exceptional circumstances with approval):

- the period from the close of trading on the ASX on the date that is two weeks before 30 June each year until the day following the announcement to the ASX of the full year results;
- the period from the close of trading on the ASX on the date that is two weeks before 31 December each year until the day following the announcement to the ASX of the half year results; and
- any other period that the Board specifies from time to time.

In addition, for so long as the Company is required to lodge quarterly reports with the ASX, the following periods are also blackout periods:

- the period from the close of trading on the ASX on the date that is two weeks before 30 September each year until the day following the release of the 4C and announcement to ASX of the first quarter results; and
- the period from the close of trading on the ASX on the date that is two weeks before 31 March each year until the day following the release of the 4C and announcement to ASX of the third quarter results.

Outside these periods, Directors and employees must receive prior approval for any proposed dealing in Carbon Revolution's securities, and in all instances, buying or selling securities is not permitted at any time by any person who possesses 'inside' information.

6.5 CODE OF CONDUCT

Carbon Revolution is committed to integrity and ethical standards in all business practices. Accordingly, the Board has adopted a Code of Conduct that outlines how Carbon Revolution expects its employees and Directors to behave and conduct business in the workplace on a range of issues.

The Code is designed to:

- provide a benchmark for professional behaviour;
- support Carbon Revolution's business reputation and corporate image within the community; and
- make Directors and employees aware of the consequences of breaching the Code.

6.6 DIVERSITY AND INCLUSION POLICY

The Board has approved a Diversity and Inclusion Policy in order to, among other matters, actively facilitate a more diverse and representative management structure and workforce and address the representation of women on the Board, in senior management positions and across the workforce generally. The Company will include in the corporate governance statement each year the measurable objectives set for that reporting period to achieve gender diversity and Carbon Revolution's progress towards achieving the measurable objectives.

6.7 SPEAK UP POLICY

Carbon Revolution has adopted a Speak Up Policy to provide a means for anyone with information about potential misconduct to report that information to the Company.

The Speak Up Policy:

- outlines Carbon Revolution's commitment to encouraging its people to speak up if they become aware of potential misconduct;
- explains how to make a report and what protections a discloser will receive; and
- outlines Carbon Revolution's processes for responding to reports.



CONTACT INFORMATION

Carbon Revolution

Building NR,
Geelong Technology Precinct
75 Pigdons Road, Waurn Ponds
Victoria 3216 Australia

Phone: +61 3 5271 3500

info@carbonrev.com

www.carbonrev.com