AUCYBER

Corporate Governance Statement

2026

TABLE OF CONTENTS

CORPORATE GOVERNANCE STATEMENT

FOR THE YEAR ENDED 30 JUNE 2026

Corporate Governance at AUCyber

Effective corporate governance supports the integrity, transparency and accountability of AUCyber Limited and its subsidiaries (together, AUCyber, CYB, the Group or the Company) and the creation of long-term value for security holders.

This Corporate Governance Statement (Statement) describes the Company's governance framework and reports against the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) (Recommendations) for the financial year ended 30 June 2026 (FY26).

The Statement explains the extent to which the Company followed the Recommendations during FY26 and, where a Recommendation was not followed, identifies the period of departure, the reasons for the departure and the alternative governance practices adopted.

This Statement is current as at 28 August 2026 and has been approved by the Board.

Except as otherwise disclosed in this Statement, the Company followed the Recommendations throughout FY26.

Principle 1: Lay Solid Foundations for Management and Oversight

1.1 Board and Management Functions

AUCyber Limited has adopted a formal Board Charter that sets out the roles and responsibilities of the Board, its committees, and management. The Charter clearly defines the matters reserved for the Board—such as strategic direction, financial oversight, major capital decisions, and risk management—as well as those delegated to the Chief Executive Officer and management team for day-to-day operations.

The Board is responsible for ensuring the Company operates in a manner consistent with its values, complies with legal and regulatory obligations, and acts in the best interests of shareholders. Management is accountable for implementing the Board-approved strategy and reporting regularly on performance and key developments.

The Board Charter is reviewed periodically to ensure it remains aligned with the Company's evolving needs and governance expectations. A copy of the Charter is available on the Company's website at:
https://investor.australiacloud.com.au/investors/?page=Corporate-Governance

1.2 Appointment of Directors

As the Company did not have a nomination committee during FY26, the full Board was responsible for reviewing and approving the appointment of new Directors and senior executives.

Before appointing a Director or senior executive, or putting a person forward for election as a Director, the Company undertakes appropriate checks as to the person's character, experience, education, criminal record and bankruptcy history.

The notice of meeting for the election or re-election of a Director includes all material information in the Company's possession relevant to the decision, including the candidate's qualifications and experience, other material directorships, the outcome of appropriate checks, any interests or associations relevant to independence, the Board's independence assessment and whether the Board supports the election or re-election.

1.3 Written Agreements

Each Director and senior executive is appointed under a written agreement setting out the terms of appointment, role, responsibilities and expectations. Material remuneration terms are disclosed in the Remuneration Report in the Annual Report.

1.4 Company Secretary

The responsibilities of the Company Secretary are outlined in Section 4.6 of the Board Charter, including the Company Secretary's accountability to the Board (through the Chair) for all matters relating to the proper functioning of the Board. The Board is responsible for the appointment and, where appropriate, the replacement of the Company Secretary. The relevant skills, qualifications and experience of the Company Secretary are set out in the 2026 Annual Report.

1.5 Diversity

The Board is committed to workplace diversity and is conscious of building a diverse and inclusive workforce. The Company's Diversity Policy is available on the Company website at: https://AUCyber.com.au/corporate-governance/.

For FY26, the Board set the following measurable objectives for achieving gender diversity:

Diversity Objective	Status
Maintain a minimum of 20% female Board representation	At 30 June 2026, women represented 0% of the Board and the objective was not achieved.
Maintain the gender balance within the Company's employee base	At 30 June 2026, women represented 13% of the Company.

As at 30 June 2026, women represented 0% of the Board, 14% of senior executive positions and 13% of the workforce. For this disclosure, "senior executive" means a member of the senior leadership team who reports directly to the Managing Director.

As part of its commitment to a diverse and inclusive workplace, the Company aims to achieve, by 2030, a workforce comprising 40% women, 40% men and 20% people who identify as non-binary or another gender identity.

To support these objectives, the Company continues to review recruitment practices, employee benefits and other initiatives designed to attract and retain a diverse and inclusive workforce.

1.6 Board, Committee and Director Performance Evaluation

The Board remains committed to regularly evaluating its effectiveness and recognises that each Director's contribution strengthens the Company's governance and strategic direction.

Under Section 2.6 of the Board Charter, the Board evaluates the performance of the Board, any committees and individual Directors annually. The process includes consideration of Board composition, information flows, meeting effectiveness and individual contributions. A performance evaluation was undertaken in respect of FY26.

1.7 Senior Executive Performance Evaluation

Senior executives participate in the Company's performance evaluation process, which includes setting annual objectives and key performance indicators and assessing performance against those measures.

A performance evaluation of senior executives was undertaken in respect of FY26.

Principle 2: Structure the Board to be Effective

2.1 Nomination Committee

The Remuneration and Nomination Committee Charter is available on the Company's website at: https://AUCyber.com.au/corporate-governance/.

The Board oversees Board succession, composition, and renewal, and reviews the balance of skills, knowledge, experience, independence, and diversity required to support the Company's strategy.

The Remuneration and Nomination Committee was dissolved on 17 February 2025 and did not operate during FY26. The full Board performed the nomination functions set out in the Committee Charter.

The Company did not follow Recommendation 2.1(a) during FY26 because it did not have a nomination committee. Given the Board comprises only three Directors, the Board considers that a separate committee would not provide additional efficiency. Under the alternative process in Recommendation 2.1(b), the full Board reviews succession, renewal, the Board Skills Matrix and proposed appointments. A Director does not participate in decisions concerning their own appointment or re-election.

2.2 Board Skills Matrix

The Board maintains a Board Skills Matrix to assess whether its collective skills, experience and perspectives are appropriate to oversee the Company's strategy and operations.

The Skills Matrix enables the Board to:

- Assess the collective skills and experience of its members;
- Identify any skills gaps or development opportunities;
- Inform succession planning and Director recruitment; and
- Ensure alignment with the Company's evolving strategic priorities.

The Board's current skills matrix as at the date of this Report is summarised below:

Sector	Industry knowledge & experience
Technical Skills & Experience	Accounting/Finance
	Information Technology
	Sales & Marketing
	Risk Management
	HR/Remuneration Experience
	Executive Leadership
	Strategic & Commercial Acumen
	Acquisition Experience
Governance	Director and Listed Company Experience
	Governance of Risk Management & Compliance
	Public/Reputation Management

Each Director's capabilities are reviewed against these criteria to identify the Board's strengths and development or recruitment priorities. The Board reviews and updates the matrix annually to maintain its relevance and alignment with the Company's objectives.

Further information on each Director's experience and tenure is included in the Directors' Report in the 2026 Annual Report.

2.3 Independent Directors

The Board currently comprises three Directors.

The table below sets out the details of the Directors who served on the Board during FY26, the length of their tenure and their status of independence.

Name	Position	Appointed / Ceased	Independent
Joseph Demase	Executive Chair and Managing Director	Appointed Director 4 February 2025 Appointed Chair 17 February 2025	No
Hugh Robertson	Non-executive Director	4 February 2025	No
Conrad Morgan	Non-executive Director	18 February 2025	Yes

Conrad Morgan is considered independent.
Joseph Demase and Hugh Robertson are not considered independent because each is a Director of 5G Networks Limited (5GN), the Company's controlling shareholder. Mr Demase is also Managing Director of 5GN and AUCyber's Executive Chair and Managing Director; Mr Robertson is the Non-Executive Chair of 5GN.

2.4 Majority of the Board should be Independent Directors

The Board assesses the independence of each Director at least annually and whenever a Director's circumstances change.

- A Director is considered independent only if they are a non-executive Director and are free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, their capacity to exercise independent judgement and act in the best interests of the Company as a whole.
- The assessment has regard to the factors in Recommendation 2.3 and Box 2.3, including relationships with the Group and any substantial holder.
- The assessment considers current and recent executive roles, material business relationships, family ties, length of service and any other relationship relevant to the Director's capacity to exercise independent judgement.

Materiality is assessed on a case-by-case basis, with regard to both the Director and the Company.

The Board considers that a mix of independent and non-independent Directors can provide both independent challenge and relevant industry and operational experience.

Conflicts of interest are managed through declarations, abstention from discussion and voting where appropriate, and access to independent professional advice.

The Company did not follow Recommendation 2.4 during FY26 because only one of its three Directors was independent. Given the Company's size, ownership structure and stage of development, the Board considers the current composition provides an appropriate mix of independent challenge, industry knowledge and executive accountability. The independent Director may confer with the other non-executive Director without management present, and the Board applies formal conflict-management procedures.

The Board reviews its composition regularly and will consider appointing additional independent Directors as the Company's size, complexity and strategic needs evolve.

2.5 Chair of the Board

Joseph Demase, the Executive Chair and Managing Director, is not independent. The Board considered this structure appropriate to provide continuity during the Company's integration with the 5GN group and to draw on Mr Demase's industry and leadership experience. Independent oversight is supported by the independent Non-Executive Director, formal conflict-management procedures, and Directors' access to independent professional advice.

Following the resignation of the Chief Executive Officer in November 2025, the Company did not appoint a replacement CEO during the remainder of FY26. Executive leadership was provided by the Managing Director and the broader executive team.

The Board has established processes to identify and manage potential conflicts of interest. At the commencement of each Board meeting, the Chair requests Directors to declare any conflicts relevant to the agenda items. Any such declarations are formally recorded. Where a conflict is identified, the affected Director may be required to abstain from discussions and decision-making on the matter, or may seek independent advice as appropriate to ensure the integrity of the Board's deliberations.

The Company did not follow Recommendation 2.5 during FY26 because the Chair was not independent, and the Chair and CEO functions were held by the same person. The Board considered this structure appropriate during the Company's integration and transition, having regard to the Company's size, ownership structure and operational requirements. The Board will review the leadership structure periodically as the Company's circumstances evolve.

2.6 Director Induction and Professional Development

Under Section 3.6 of the Board Charter, each new Director participates in an induction program tailored to the Company and the Director's role.

This includes meeting with a member of the existing Board, the Company Secretary, Management, and other relevant executives to familiarise themselves with the Company, its procedures and prudential requirements, and Board practices and procedures.

The Board performance assessment process provides an opportunity for Directors to periodically review their professional development needs and identify opportunities to develop and maintain their skills and knowledge, including professional memberships.

Principle 3: Instil a Culture of Acting Lawfully, Ethically and Responsibly

Values, Code of Conduct and Related Policies (3.1 – 3.4)

The Company has articulated and disclosed its values—Australian, Assured, Accountable, Amplified, Agile and Aligned—which guide its culture and decision-making. The Code of Conduct sets the standards of lawful, ethical and responsible conduct expected of Directors, employees and contractors.

The Whistleblower Policy encourages the reporting of wrongdoing and provides protections and support for eligible whistleblowers. The Board is informed of any material incidents reported under the Policy.

The Anti-Bribery and Corruption Policy prohibits bribery and corruption and supports compliance with applicable laws and the Company's values. The Board is informed of any material breaches of the Policy.

The Code of Conduct, Whistleblower Policy and Anti-Bribery and Corruption Policy are available on the Corporate Governance page of the Company's website. The Board is informed of material breaches or incidents arising under those policies.

Principle 4: Safeguard the Integrity of Corporate Reports

4.1 Audit and Risk Oversight

The Company did not have an Audit Committee for all of FY26. During the period, the full Board performed the audit and risk oversight responsibilities set out in the Audit and Risk Committee Charter, including oversight of corporate reporting, risk management, internal controls and compliance.

In relation to corporate reporting, the Board's responsibilities include:

- Reviewing the reliability and integrity of the Company's financial reporting, accounting policies, and disclosure practices;
- Assessing the appropriateness of significant accounting judgments made by management;
- Overseeing the effectiveness of the Company's risk management and internal control systems, and monitoring performance against the risk appetite set by the Board;
- Evaluating the internal audit framework and ensuring its alignment with the Company's risk profile;
- Recommending the appointment and, if necessary, removal of the external auditor, and overseeing the external audit process;
- Ensuring the Company's compliance with legal and regulatory obligations, as well as internal policies;
- Reviewing financial and taxation risk management strategies and key business risks;
- Reviewing the half-year and full-year financial reports and receiving declarations from the CEO and CFO regarding the integrity of the financial statements and the effectiveness of the Company's risk and control systems.

The Board maintains open communication with management and the external auditor. Periodic corporate reports that are not audited or reviewed by the external auditor are subject to the internal verification and approval process described under Recommendation 4.3 below.

The Board's audit and risk responsibilities are set out in the Audit and Risk Committee Charter, which is available on the Corporate Governance page of the Company's website.

The Audit and Risk Committee was dissolved on 17 February 2025.

The full Board applied the alternative process in Recommendation 4.1(b) by reviewing financial reports, significant accounting judgements and the external audit; meeting with the external auditor without management present where appropriate; monitoring auditor independence and non-audit services; and overseeing the appointment or removal of the external auditor and rotation of the audit engagement partner. The CEO/CFO-equivalent declaration and internal verification processes described below provide additional safeguards.

4.2 CEO & CFO declaration

Before approving financial statements for a financial period, the Board receives a declaration from the CEO (or the person performing the equivalent function) and the CFO that, in their opinion:

- The financial records of the entity have been properly maintained;
- 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
- The opinion has been formed on the basis of a sound system of risk management and internal control that operates effectively.

The annual financial report is audited, and the half-year financial report is reviewed by the external auditor before release. For the period after the CEO's resignation in November 2025, the declaration under Recommendation 4.2 was provided by the Managing Director, as the person performing the equivalent executive function, together with the CFO.

4.3 Verification of Periodic Reports

Periodic corporate reports that are not audited or reviewed by the external auditor are subject to an internal verification process appropriate to the nature and content of the report.

The process includes preparation and review by accountable business and finance personnel, verification of material factual statements and data against source records, and review for balance, clarity and compliance by the Company Secretary and relevant advisers, as appropriate.

The report is approved by the Board or an appropriately authorised delegate before release. This process is designed to ensure that the report is materially accurate, balanced and provides investors with appropriate information to make informed decisions.

The external auditor attends the Annual General Meeting and is available to respond to shareholder questions relating to the audit.

Principle 5: Make Timely and Balanced Disclosure

Continuous Disclosure Obligations (5.1 – 5.3)

The Company is committed to fostering investor confidence through timely, accurate, and balanced disclosure of all material information concerning its operations. It ensures that shareholders and the ASX have equal and timely access to market-sensitive information in accordance with the principles of continuous disclosure.

To support this commitment, the Company has adopted a Continuous Disclosure Policy that sets out the roles and responsibilities for identifying, reporting, and disclosing material information. The Policy ensures compliance with the continuous disclosure obligations under the ASX Listing Rules and the *Corporations Act 2001* (Cth).
In line with ASX requirements, any new investor presentation materials are released to the ASX Market Announcements Platform prior to the presentation being delivered.

The Company Secretary is responsible for coordinating market disclosures and ensuring that the Board promptly receives copies of all announcements released to the market.

A copy of the Continuous Disclosure Policy is available on the Company's website at:
https://AUCyber.com.au/corporate-governance/.

Principle 6: Respect the Rights of Security Holders

6.1 Company and Governance Information

The Company provides general and current information regarding its purpose, Board and leadership and its activities on its website at https://aucyber.com.au/about/.

The Investor Centre on the Company's website provides access to key market and shareholder communications, including media releases, corporate announcements, and important governance policies. All relevant disclosures made to the market via the ASX Market Announcements Platform are subsequently published in the Investor Centre to ensure ongoing transparency and accessibility for shareholders and other stakeholders.

6.2 Investor Relations Program

The Board is committed to keeping shareholders informed of all significant developments affecting the Company in a timely and effective manner. This is achieved through the lodgement of relevant financial and operational updates with the ASX and the publication of information on the Company's website.

Investor relations are managed internally, with the Company promoting two-way communication by inviting shareholders and investors to engage with it via the contact details provided in all external communications and ASX announcements.

In addition, the Company conducts investor webinars following the release of each financial report. These sessions include dedicated time for shareholder questions, providing a forum for direct engagement and feedback.

6.3 Security Holder Participation at Meetings

The Company is committed to fostering informed and active shareholder participation at its general meetings. To support this, meeting notices are drafted clearly with explanatory notes, and shareholders are invited to submit questions in advance, including to the Board and external auditor where relevant.

Where practicable, hybrid or virtual meeting formats are offered to enhance accessibility. Shareholders may vote in person, by proxy, or electronically.

Meetings include time for shareholder questions and discussion, and the outcomes of all resolutions, including proxy results, are promptly disclosed to the ASX and published on the Company's website.

These practices ensure shareholders have meaningful opportunities to engage with the Board and management.

6.4 Resolutions Decided by Poll

All resolutions at shareholder meetings are decided by poll rather than by a show of hands.

6.5 Electronic Communication

The Company's website allows shareholders to subscribe to investor updates and communicate directly with the Company via email. Investor updates are also readily accessible on the website.

Shareholders may elect to receive communications from, and send communications to, the Company and its security registry electronically.

Principle 7: Recognise and Manage Risk

7.1 Risk Oversight

The full Board oversees the Company's risk management framework and internal controls under the Audit and Risk Committee Charter which includes:

- Maintaining and regularly reviewing a comprehensive risk profile that considers financial, non-financial, environmental, and social risks in line with stakeholder expectations;
- Assessing the effectiveness of internal controls over financial reporting, due diligence, confidentiality, IT security, and risk identification processes;
- Receiving regular reports on material breaches, fraud, litigation, and emerging risks, and monitoring management's mitigation efforts;
- Reviewing the scope and outcomes of internal and external audits, including management's responses;
- Ensuring the risk management framework remains sound and fit for purpose, including coverage of digital disruption, cyber security, ethical conduct, and climate-related risks;
- Recommending changes to the risk management framework and risk appetite as appropriate.

The Board receives regular reports from management on material and emerging risks, control effectiveness, incidents and mitigation actions, and may meet with external advisers and auditors without management present.

The Audit and Risk Committee was dissolved on 17 February 2025.

The full Board applied the alternative process in Recommendation 7.1(b) by overseeing the risk management framework, risk appetite, material and emerging risks, internal controls, and management's mitigation activities, and by receiving regular risk reporting from management.

7.2 Review of Risk Management Framework

The Company maintains a risk management framework designed to identify and assess key financial and non-financial risks that could materially impact its operations. This framework is embedded in the day-to-day management of the business.

During FY26, the full Board reviewed the Company's risk management framework and satisfied itself that the framework remained sound and appropriate having regard to the Company's financial and non-financial risks, internal controls and emerging risks.

The Board also monitors risks against the Company's risk matrix, considering internal and external risk factors that may affect the Company's future performance.

7.3 Internal Audit Function

Given the Company's current size and stage of development, it does not have an internal audit function. The process for evaluating and continually improving the effectiveness of the Company's risk management and internal control processes is overseen by the Board in fulfilling its responsibilities set out in the Audit and Risk Committee Charter as outlined in sections 4.1, 7.1 and 7.2. These processes include regular management risk reporting to the Board, engagement with the external auditor, and financial and operational reviews. The Board and management regularly assess the effectiveness of controls through internal certifications and oversight mechanisms aligned with the Company's risk profile.

7.4 Material Exposure to Environmental and Social Sustainability Risks

The Company is committed to ensuring environmental and social risks are identified and managed responsibly in the Company's business activities and relationships.

These risks, along with other business risks, are managed in accordance with the Company's risk management framework discussed in Section 7.2.

As at 30 June 2026, the Board did not consider the Company to have any material exposure to environmental or social sustainability risks. The Board continues to monitor those risks through the Company's risk management framework.

Principle 8: Remunerate Fairly and Responsibly

8.1 Remuneration Committee

The Remuneration and Nomination Committee charter is available on the Company's website at https://AUCyber.com.au/corporate-governance/.

The Remuneration and Nomination Committee was dissolved on 17 February 2025 and did not operate during FY26. The full Board performed the remuneration functions set out in the Committee Charter.

The Company did not follow Recommendation 8.1(a) during FY26 because it did not have a remuneration committee. Under the alternative process in Recommendation 8.1(b), the full Board reviews the structure and level of remuneration for Directors and senior executives, having regard to their responsibilities, market practice, Company performance and financial position, and the interests of shareholders. A Director does not participate in decisions concerning their own remuneration.

No individual Director or senior executive participates in decisions concerning their own remuneration.

Where appropriate, the Board may obtain external remuneration advice to inform its decisions.

8.2 Remuneration Policies and Practices

The Group's remuneration framework is designed to attract, retain, motivate and reward employees for performance that is competitive and appropriate for the results delivered. The framework aligns remuneration with the achievement of strategic goals and the creation of value for shareholders.

The key criteria supporting the Group's remuneration framework are:

- Competitiveness and reasonableness;
- Acceptability to shareholders;
- Performance linkage/alignment of executive compensation; and
- Transparency.

Non-Executive Director remuneration is determined within the aggregate annual fee pool approved by shareholders. It may comprise fixed fees, statutory superannuation, reimbursement of reasonable expenses and, subject to shareholder approval and applicable law, equity-based remuneration. Additional fees may be paid for special exertions or services outside the ordinary duties of a Director.

Each Non-Executive Director is appointed under a written letter of appointment. During FY26, certain Non-Executive Directors received share rights in lieu of cash fees and options under the Company's Long Term Incentive Plan following shareholder approval at the 2025 Annual General Meeting. Details are disclosed in the Remuneration Report. Non-Executive Directors do not receive retirement benefits other than statutory superannuation.

The Executive Chair and senior executives receive fixed remuneration and may receive performance-linked or equity-based incentives designed to align remuneration with the Company's strategy, performance, values and risk appetite. The remuneration framework and individual outcomes for Key Management Personnel are disclosed in the Remuneration Report.

Further information can be found in the Remuneration Report within the Annual Report.

8.3 Equity-based Remuneration Scheme

The Company operates an equity-based remuneration scheme under its Long Term Incentive Plan.

The Company's Securities Trading Policy prohibits Key Management Personnel and other participants from entering into transactions or arrangements that limit the economic risk of unvested or restricted equity-based remuneration.

This prohibition includes hedging through derivatives or other products and applies until the relevant securities have vested and are no longer subject to restrictions.

The Securities Trading Policy is available on the Company's website at:
https://AUCyber.com.au/corporate-governance/.