

# Select Harvests Limited

**ABN 87 000 721 380**



## **Corporate Governance Statement**

**for the twelve months ended 30 September 2019**

This statement outlines the key corporate governance practices of the Company which considers the ASX Principles of Good Corporate Governance and Best Practice Recommendations issued by the ASX. This Corporate Governance Statement describes the key corporate governance policies and practices of Select Harvests Limited. The Company has followed the recommendations of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations throughout the twelve months ended 30 September 2019.

# Corporate governance statement

These principles are:

Principle 1 – Lay solid foundations for Management and Oversight

Principle 2 – Structure the Board to be effective and add value

Principle 3 – Instil a culture of acting lawfully, ethically and responsibly

Principle 4 – Safeguard the Integrity of Corporate Reports

Principle 5 – Make timely and balanced disclosure

Principle 6 – Respect the Rights of Security Holders

Principle 7 – Recognise and Manage Risk

Principle 8 – Remunerate Fairly and Responsibly

The statements set out below refer to the above Principles as applicable.

## **Principle 1 – Lay solid foundations for Management and Oversight**

### **1.1 Roles and Responsibilities of the Board and Management**

The Board of Select Harvests Limited is responsible for the overall corporate governance of the Company. The Board guides and monitors the business and affairs of Select Harvests Limited on behalf of the shareholders by whom they are elected and to whom they are accountable. Details of the Board's Charter are located on the corporate governance section of the Company's website.

<http://www.selectharvests.com.au/governance/>.

The Board represents the interests of shareholders, as well as other regulatory and ethical expectations and obligations. In addition, the Board is responsible for ensuring that management's objectives and activities are aligned with the expectations and risks identified by the Board and ensuring arrangements are in place to adequately manage those risks.

The Board has delegated responsibility for the operation and administration of the company to the Managing Director and the Senior Executive team. The Board ensures that this team is appropriately qualified and experienced to carry out its responsibilities and has in place procedures to assess the performance of the Managing Director and the Senior Executive team.

### **1.2 Director and Senior Executive Selection**

To ensure that the Board is well equipped to carry out its responsibilities it has established guidelines for the nomination and selection of Directors and Senior Executives. Several channels are used to source candidates to ensure the company can benefit from a diverse range of individuals during the selection processes.

The composition of the Board and Senior Executive ensures that all essential skills are in place to operate, manage and govern the business.

### **1.3 Directors and Senior Executive Agreements**

The Directors and the Senior Executive team have a written agreement with the Company setting out the terms of their appointment. The key terms of these agreements are published in the Remuneration Report.

### **1.4 Company Secretary**

The Company Secretary is accountable to the Board through the Chair and provides advice and support to the Board. They are responsible for all matters to do with the proper functioning of the Board. All Directors can communicate directly with the Company Secretary and vice versa.

## Corporate governance statement

### 1.5 Inclusion and Diversity

Select Harvests recognises that an inclusive and diverse workforce supports our goals of achieving business success through the diversity, quality, passion and skill of our people. We appreciate that each employee brings their own unique capabilities, experiences and characteristics to work.

The Company is proud of our ongoing achievements in employing a diverse range of over 300 full time, part time and permanent employees, in addition to the seasonal workforce employed in both regional and urban Australia.

The Company's diversity (amongst many characteristics) includes the employment of people of many different ethnicities. Based on what our people have shared with us, 45% have stated they come from culturally diverse backgrounds. Select Harvests is proud to partner with Indigenous and Islander education and employment programs, in addition to engaging people from the Asia Pacific and European regions in our work force.

The recognition of such diversity and its ongoing importance to our business is reflected in the targets, which recognise the importance of ethnicity:

	Male	Female	Ethnicity*
Target	33%	33%	33%

\*Ethnicity Definition – the fact or state of belonging to a social group that has a common national or cultural tradition (Oxford Dictionary)

Performance against the Diversity goals for 2018/19 are as follows:

	M	F	Ethnicity*
Target	33%	33%	33%
Actual	68%	32%	45%

\*Based on what our people have chosen to share with us

### WGEA Diversity Report 2018/19

						Variance from FY 2017/18	
FY 2018/2019	M	F	Total	% M	% F	% F	Target
Board and Senior Executive	8	3	11	73%	27%	3%	33%
Senior Manager	20	3	23	87%	13%	-11%	33%
Other Managers	36	7	43	84%	16%	-1%	33%
Non-Managerial Roles	276	149	425	65%	35%	4%	33%
<b>Total</b>	<b>340</b>	<b>162</b>	<b>502</b>	<b>68%</b>	<b>32%</b>	<b>2%</b>	<b>33%</b>

Senior Manager definition is two levels below Managing Director

## Corporate governance statement

The following table details the progress made in 2018/19 against the goals and outlines the new goals for 2019/20:

OBJECTIVE	2018/19 MEASURABLE ACTIONS	2018/19 PROGRESS	2019/20 MEASURABLE ACTIONS
Communicate the Company's core values	<ul style="list-style-type: none"> <li>Implement culture and leadership development program</li> </ul>	<ul style="list-style-type: none"> <li>Conducted a Culture Survey in May 2019 and ran feedback sessions across the whole organisation</li> <li>Ran a culture and leadership development program for the Executive Team and Managers two levels down (31 attendees)</li> <li>Developed a culture road map and implementation plan</li> </ul>	<ul style="list-style-type: none"> <li>Action implementation plan from culture survey feedback</li> <li>Run a Leadership Conference for all managers</li> <li>Run a follow up Culture Survey in 2020</li> <li>Conduct Quarterly Town Hall Meetings</li> </ul>
Recruit, develop and retain talent, including females, to increase gender participation across the Company	<ul style="list-style-type: none"> <li>33% of female participation in the workforce.</li> <li>Sponsor 10 or more female employees to be members of National Association of Women in Operations (NAWO)</li> <li>Broaden incentive program eligibility across the organisation</li> </ul>	<ul style="list-style-type: none"> <li>Achieved 32% female participation overall</li> <li>5 females were sponsored for NAWO memberships</li> <li>Two female, high potential managers were sponsored to participate in the Women and Leadership Australia Executive Ready program which ran for 7 months</li> <li>Incentive scheme broadened to include critical roles at middle manager level (42 additional participants)</li> <li>72 employees were sponsored to undertake various TAFE certificate programs</li> <li>Select Harvests were Finalists in the Large Employer of the Year, Victorian Training Awards</li> </ul>	<ul style="list-style-type: none"> <li>Identify and focus on high potential individuals across the group, ensuring targeted development plans are in place for each individual</li> <li>Review sourcing strategies, employment value proposition (EVP) and recruitment and selection processes, to attract and recruit more female applicants, particularly into leadership roles</li> <li>Activate the planned Graduate Program for 2020, ensuring at least 30% of candidates interviewed are females</li> </ul>
Build a flexible workplace	<ul style="list-style-type: none"> <li>Encourage roles with flexibility</li> </ul>	<ul style="list-style-type: none"> <li>Several arrangements are in place to address flexibility and avoid excessive time away from home, including the establishment of a Mildura regional office and working from home.</li> </ul>	<ul style="list-style-type: none"> <li>Review effectiveness of current flexible arrangements and policy and make changes as required</li> <li>Review Parental and other Leave policies</li> </ul>
Regular and accurate reporting of diversity	<ul style="list-style-type: none"> <li>Review employee gender, age and ethnicity profile</li> </ul>	<ul style="list-style-type: none"> <li>Data reviewed on an ongoing basis for accuracy, with the Payroll system being reviewed and updated to provide better and more accurate data</li> </ul>	<ul style="list-style-type: none"> <li>Reporting on diversity to be included in quarterly People Metrics Dashboard to the Board</li> </ul>

# Corporate governance statement

Select Harvests will continue to celebrate ethnic diversity through events such as the annual Multi-Cultural Day. Flexible work arrangements will be reviewed to ensure they are effective in assisting employees to balance their work and life commitments. In 2019/20 a Women@Select Council is being implemented to drive initiatives aimed at improving female participation, particularly at middle and senior management levels. There is also a plan to design the next phase of leadership development and through this review, we will be addressing any specific needs our female talent may have.

## 1.6 Board Performance and Evaluation

The Chair of the Board evaluates the performance of each Board member regularly. The performance of the Board is reviewed against the Board Charter and any specific objectives set by the Board for the Company. The Board reviews its performance and the performance of the Committees against their Charters annually. The performance evaluation of the Board was undertaken during the 2018/19 financial year.

## 1.7 Senior Executive Performance and Evaluation

Executive Performance is evaluated at least annually. The performance and measures of the Senior Executive Team are published in the Remuneration Report.

## **Principle 2 – Structure the Board to be effective and add value**

### 2.1 Board Processes

To assist in the execution of its responsibilities, the Board established a Remuneration & Nomination Committee and an Audit and Risk Committee. These Committees have written Charters, which are reviewed on a regular basis and are located on the company's website. The Board has an established framework for the management of the Company.

The full Board holds at least eleven scheduled meetings each year, plus any additional meetings at such other times as may be necessary to address any specific matters that may arise. Details of the attendances at meetings of Board and Committees during the reporting period are set out in the Directors' Report (Annual Report for the twelve months ended 30 September 2019).

The agenda for meetings is prepared and includes the Managing Director's & Chief Financial Officer's report, financial reports, Occupational Health and Safety (OH&S) reporting, business segment reports, strategic matters, business culture, governance and compliance. Submissions are circulated in advance. Executives are involved in Board discussions where appropriate, and Directors have other opportunities, including visits to operations, for contact with a wider group of employees.

Development plans and succession for the Senior Executives of Select Harvests is reviewed annually by the Remuneration and Nomination Committee. Director rotation and renewal is also part of the Committee's workplan on an annual basis.

### 2.2 Board Skills Matrix

The composition of the Board is determined in accordance with the following ASX principles:

- The Board should comprise at least four Directors;
- The Board should maintain a majority of independent Non-Executive Directors;
- The Chairperson must be a Non-Executive Director; and
- The Board should comprise Directors with an appropriate range of qualifications, skills and experience

The Company website contains the Board responsibility, skills and experience matrix, setting out the mix of capability of the current Board in key areas - <http://www.selectharvests.com.au/governance/>.

## Corporate governance statement

### 2.3 Director Experience

The names of the Directors of the Company in office at the date of this report, together with their current and former Directorships and length of service, are set out in the Directors' report published in the Annual Report and on the Corporate Website. <http://www.selectharvests.com.au/>.

If a Non-executive Director has an interest, position, affiliation or relationship with the Company, but the board are of the opinion that it does not compromise the independence of the Director then the nature of the interest, position or relationship is noted in the Related Party notes of the company's financial statements.

### 2.4 Director Independence

All current Non-Executive Directors are independent. The Board assesses the independence of each Director considering interests known to the Board, as well as those disclosed by each Director. Directors' interests are updated at the commencement of each Board Meeting. Should a conflict arise the individual director will declare the conflict. This will be noted in the minutes and the Director will leave the meeting, if appropriate and will not participate in discussion of the item. Each Director has the right of access to all relevant company information and to the Company's Executives and, subject to prior consultation with the Chairman, may seek independent professional advice at the Company's expense.

### 2.5 Chair Independence

The Chair is a Non-Executive Chair and is independent.

### 2.6 Director Review, Induction and Education

The Company has a policy and process in place to induct and educate new Directors as well as address the ongoing education and development of its existing Directors. The policy objectives are to ensure that the Directors are equipped to provide effective oversight, as outlined in the Select Harvests Board Skills Matrix. The Chair is responsible for new Director inductions, which includes a comprehensive program. Additionally, in each financial year, each Director is expected to attend one external program and all internal briefings, to keep abreast of current issues

Directors can visit Company facilities at any time and meet with management to gain a better understanding of business operations. The Board Education and Training Policy is on the Corporate website: <http://www.selectharvests.com.au/governance/>

## **Principle 3 – Instil a culture of acting lawfully, ethically and responsibly**

3.1 The Board and senior executives at Select Harvests recognise the importance of living the Company Values in driving successful outcomes. During the 2018/19 period a Culture Survey was completed, and the results were shared across the whole business. Feedback was obtained from all levels in the organisation and this information has been used to formulate an action plan to drive improvements in the desired behaviours against the Company Values, as outlined below:

Value	Behaviour
<b>Trust and Respect</b>	Treat all stakeholders with trust and respect
<b>Integrity and Diversity</b>	All decisions and transactions will not compromise the integrity or diversity of the organisation or individual
<b>Sustainability</b>	Our focus is on the long-term sustainability of our environment, business and community
<b>Performance</b>	Exceed expectations on a daily basis
<b>Innovation</b>	Constantly challenge ourselves to improve everything

## Corporate governance statement

### 3.2 Code of Conduct

All Directors, managers and employees are expected to act in accordance with the Company's expected values and behaviours. These Values are incorporated in the company's Code of Conduct Policy. Material breaches of the Code of Conduct are required to be reported to the Board. The Code of Conduct Policy is located on the governance section of the Company's website.

<http://www.selectharvests.com.au/governance/>.

### 3.3 Whistleblower Policy

The Whistle-blower Policy was reviewed in 2019. Whistle-blower incidents are required to be reported to the Board. The Whistle-blower Policy is located on the governance section of the Company's website.

<http://www.selectharvests.com.au/governance/>.

### 3.4 Anti Bribery and Corruption

The Fraud, Anti Bribery and Corruption Policy is published on the Corporate website. Bribery and corruption incidences are required to be reported to the Board. The Fraud, Anti-Bribery and Corruption Policy is located on the governance section of the Company's website. <http://www.selectharvests.com.au/governance/>.

## **Principle 4 – Safeguard the Integrity of Corporate Reports**

### 4.1 Audit and Risk Committee

The Audit and Risk Committee has a documented Charter, approved by the Board. All three members of the Committee are Non-Executive Directors with a majority being independent, and the Chairman of the Audit and Risk Committee is not the Chairman of the Board of Directors.

The members of the Audit and Risk Committee during the financial year are disclosed in the Directors' Report. The Committee meets at least three times a year and the Committee members' attendance record is disclosed in the table of Directors' meetings published in the Annual Report.

The Audit and Risk Committee is committed to ensuring that it carries out its functions in an effective manner. Accordingly, it reviews its Charter at least once in each financial year and the company's risk register has been established in accordance with ISO standards. A copy of the Audit and Risk Committee Charter and the committee's duties and responsibilities are available on the corporate governance section of the Company's website. <http://www.selectharvests.com.au/governance/>

### 4.2 Managing Director and CFO Declarations

The Managing Director and the Chief Financial Officer report in writing to the Board with declarations that:

- a) In their opinion, the financial report and notes set out in the Financial Report of Select Harvests Limited for the 12 months ended 30 September 2019:
  - i. are in accordance with the *Corporations Act 2001*;
  - ii. give a true and fair view of the Group's financial position as at 30 September 2019 and of its performance for the twelve months ended on that date as required by Section 305 of the *Corporations Act 2001*; and
  - iii. comply with applicable Australian Accounting Standards as required by Section 304 of the *Corporations Act 2001*; and
- b) In their opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- c) In their opinion, the financial records of the Company have been properly maintained in accordance with section 286 of the *Corporations Act 2001*, and
- d) In their opinion, the above statements are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board and that Select Harvests' risk management and internal compliance and control is operating efficiently and effectively in all material respects in relation to financial reporting risks.

## Corporate governance statement

### 4.3 Integrity of Reporting

The external auditors, the Managing Director and Chief Financial Officer are invited to Audit and Risk Committee meetings at the discretion of the Committee, and the external auditor also meets with the Audit Committee during the year without management being present.

The Company's external auditor, PricewaterhouseCoopers, attends the AGM and is available to answer questions from security holders relevant to the audit.

### **Principle 5 – Make timely and balanced disclosure**

#### 5.1 Continuous Disclosure Policy

The Company has a detailed written policy and procedure to ensure compliance with its disclosure obligations under both the ASX Listing Rules and the Corporations Act. This policy is reviewed regularly with the Company's legal advisers and was most recently amended in September 2018. This is published on the Corporate website: <http://www.selectharvests.com.au/governance/>.

#### 5.2 Board and Market Announcements

Select Harvests' Company Secretary ensures that Directors are engaged in discussion, and approve, material market announcements before they are made.

#### 5.3 Substantive Investor or Analyst Presentations

Select Harvests' Company Secretary ensures compliance with the Company's continuous disclosure requirements, and provision of information to the Australian Stock Exchange. The continuous disclosure policy aims to ensure that timely and accurate information is communicated to all shareholders and market participants, consistent with the Company's commitment to its continuous disclosure obligations.

### **Principle 6 – Respect the Rights of Security Holders**

#### 6.1 Company Website

The Select Harvests website provide all relevant information about itself and governance to investors. The website is <http://selectharvests.com.au>

#### 6.2 Investor Communication

Following the release of Select Harvests' financial results (half and full year) the Managing Director and Chief Financial Officer complete an extensive scheduled detailed program of interactions with institutional investors and market analysts. Ad hoc interactions also occur with retail investor groups, proxy advisors and the financial media. These interactions allow investors and other financial market participants to gain a greater understanding of Select Harvests' business, governance, financial performance and prospects. Matters of concern or interest can also be raised.

In addition to the above Select Harvests' Managing Director and/or Chief Financial Officer attend and/or present at various industry and stakeholder events.

Queries or concerns raised are conveyed to the Board or relevant Executive manager in order to develop an appropriate response or take required steps to address the concern (if applicable).



## Corporate governance statement

### 6.3 Shareholder Meetings

The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and understanding of the Company's strategy, objectives and results. Shareholders have the opportunity to attend the meeting, ask questions from the floor, participate in voting and meet the Board and Management in person. Shareholders have the opportunity to submit written questions and comments to the Company and the auditor prior to the meeting.

### 6.4 Shareholder Voting

Voting conducted at the Annual General Meeting is conducted by poll.

Shareholders who are unable to attend the meeting are encouraged to vote on the proposed motions by appointing a proxy via the proxy form accompanying the Notice of Meeting.

### 6.5 Shareholder Communications

Select Harvests gives security holders the option to receive communication from and send communication to ([info@selectharvests.com.au](mailto:info@selectharvests.com.au)) the entity and its security registry (Computershare) electronically.

All security holder information is set out to be easily readable on various electronic screen options and includes printer-friendly capability.

## Principle 7 – Recognise and Manage Risk

### 7.1 Risk Management

The Company outsources its internal audit function and commissions specific reviews to assess the internal controls implemented to mitigate key risks. The Board oversees the Company's risk management framework, which it reviews at least annually to ensure its effectiveness. The Company's areas of focus in respect of risk management practices include, but are not limited to, product safety, occupational health and safety, environment, property, financial reporting and internal control.

The Board is responsible for the overall risk management and internal control framework but recognises that no cost-effective risk management and internal control system will preclude all errors and irregularities.

### 7.2 Board Risk Review

The Board has the following procedures in place to monitor performance and to identify areas of concern:

- Strategic planning: The Board is involved in formulating, reviewing and approving the strategic plan that encompasses the Company's strategy, designed to meet the stakeholders' needs and manage business risk. The strategic plan is dynamic, and the Board is actively involved in developing and approving initiatives and strategies designed to ensure the continued growth and success of the Company;
- Risk management framework: The Company's risk management framework provides a mandate and commitment to risk management, includes the Company's policy that sets out the Company's risk objectives and intentions, embeds risk management within business processes, defines accountabilities and responsibilities, outlines a risk reporting schedule and provides mechanisms for monitoring and continuous improvement;
- Financial reporting: The Board reviews actual results against budgets approved by the Directors and revised forecasts prepared during the year;
- Functional reporting: Key areas subject to regular or periodical reporting to the Board include, but are not limited to, operational, treasury (including foreign exchange), environmental, occupational health and safety, insurance, and legal matters;
- Continuous disclosure: A process is in place to identify matters that may have a material effect on the price of the Company's securities and to notify them to the ASX; and
- Investment appraisal: Guidelines for capital expenditure include annual budgets, appraisal and review procedures, and due diligence requirements where businesses or assets are being acquired or divested.

## Corporate governance statement

The Managing Director and Chief Financial Officer have provided a statement in writing to the Board that the declaration made in respect of the Company's financial reports is founded on a system of risk management and internal compliance and control which reflects the policies adopted to date by the Board, and that the Company's risk management and internal control and compliance system is operating effectively in all material.

### 7.3 Exposure to Environmental and Social Risk

Weather events and a changing climate are a source of risk and potential disruption to the Select Harvests horticultural business. The Company is committed to understanding and actively managing the long-term risks and opportunities associated with a changing climate and accepts the threat of climate change and the Paris Agreement (<http://unfccc.int/2860.php>).

Select Harvests' approach to mitigate weather risks is guided by our risk management strategy. We are cognisant of the potential impact of climate change on our farming activities and our diversification strategy and water management policy is shaped taking into account the impacts.

The Company is also committed to minimising the impact its operations have on the environment, with a number of projects activated over the past two years, including reduction of carbon footprint through its own power generation utilising their own by-products, technology to better manage water usage and weather impacts and bee stewardship.

Select Harvests has an Ethical Sourcing Policy in place and along with our labour standards, the policy is designed in accordance with the company values and legal obligations under Federal and State laws. The policy objectives are to uphold human rights, protect the environment and operate in a sustainable manner, whilst being a respected leader in our industry and communicating the same expectations of our suppliers and their supply chains. The Company is committed to managing the economic, environmental and social challenges across their supply chain. This is achieved by committing to:

- Employing innovative approaches to conserve resources and reduce impacts to help preserve, improve and protect the environment
- Promoting responsible agricultural and food manufacturing practices
- Safeguarding the quality and integrity of the food we produce, market and manufacture
- Respecting people and human rights by treating our employees, suppliers, and contractors with dignity and respect and providing safe, secure and healthy work environments, and expecting the same from our supply

The Ethical Sourcing Policy is available on the Select Harvests website:  
<http://www.selectharvests.com.au/governance/>.

Select Harvests will commence reporting on Modern Slavery in 2021, as required by the new regulations.

# Corporate governance statement

## **Principle 8 – Remunerate Fairly and Responsibly**

### **8.1 Remuneration and Nomination Committee**

The main objectives of the Remuneration and Nomination Committee are to:

- 1) Ensure that the Board's responsibilities in relation to compensation of the company's Directors and Executives are fulfilled.
- 2) Recommend parameters for the setting and approval of remuneration, Short Term Incentive Plan (STIP) and Long-Term Incentive Plan (LTIP) for company Executives and any incentive scheme for other employees.
- 3) Ensure that the composition of the Board of Directors is appropriate for the purpose of fulfilling its responsibilities to shareholders in accordance with the law and current governing guidelines issued by the Australian Securities Exchange and other regulatory bodies.

The Committee evaluates the performance of the Managing Director as well as its key management personnel on an annual basis. It is responsible for reviewing the share option schemes, incentive performance packages, superannuation entitlements and fringe benefits policies. Remuneration levels are reviewed annually, and the Committee may obtain independent remuneration information for comparative purposes on the appropriateness of remuneration packages.

The Managing Director is invited to Remuneration and Nomination Committee meetings as required to discuss Senior Executives' performance and remuneration packages.

Further details of how the Company assesses the performance of the Managing Director and its key management personnel are disclosed in the Remuneration Report.

The members of the Remuneration and Nomination Committee comprise at least 3 independent Directors and is chaired by an independent Director, who is not the Chair of the Board. Membership details are disclosed in the Directors' Report.

The Remuneration and Nomination Committee meets at least two times a year, with membership details and attendance disclosed in the table of Directors' meetings.

Further details of the Remuneration and Nomination Committee's Charter are available on the Governance section of the Company's website <http://www.selectharvests.com.au/governance/>

### **8.2 Remuneration Policies**

Remuneration levels are set to attract, retain and motivate appropriately qualified and experienced Managing Director and Senior Executives. The Remuneration Committee may obtain independent advice on the appropriateness of remuneration packages, given trends in the marketplace. Remuneration packages include a mix of fixed remuneration, performance-based remuneration and equity-based remuneration. There is a minimum Occupational Health and Safety (OH&S) tollgate standard that needs to be met for any incentive payments.

The Managing Director and Senior Executives may receive short term incentives based on achievement of specific business objectives, initiatives and performance indicators, which include financial, cultural and operational targets relevant to performance at the consolidated entity level, divisional level, or functional level, as applicable, for the financial year.

## Corporate governance statement

### 8.3 Equity Based Remuneration

In addition, the consolidated entity offers the Managing Director and Senior Executives' participation in the long-term incentive scheme involving the issue of performance rights under the Executive LTIP. The LTIP provides performance rights to participating employees with a three-year expiry period, exercisable at the market price. The performance rights vest over three years on achievement of the financial performance hurdles. Furthermore, the LTIP provides that participants are not permitted to hedge any shares issued to them whilst those shares are held in trust. The LTIP performance conditions are published in the Remuneration Report.

Non-Executive Directors do not receive any performance related remuneration.

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity

Select Harvests Limited

ABN/ARBN

87 000 721 380

Financial year ended

30 September 2019

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>

these pages of our annual report: \_\_\_\_\_

this URL on our website: <http://www.selectharvests.com.au/governance> \_\_\_\_\_

The Corporate Governance Statement is accurate and up to date as at 29 November 2019 and has been approved by the board.

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

Date here: \_\_\_\_\_ 29 November 2019 \_\_\_\_\_

Sign here:



~~Director~~/Company secretary

Print name: Brad Crump \_\_\_\_\_

<sup>1</sup> Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

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 rule 4.10.3.

<sup>2</sup> “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.

<sup>3</sup> Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity’s corporate governance statement can be found.

**ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES**

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <b>NOT</b> followed the recommendation in full for the whole of the period above. We have disclosed ...	
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	<p>A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management):</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b><a href="http://www.selectharvests.com.au/governance">http://www.selectharvests.com.au/governance</a></b></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.2	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.3	<p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.4	<p>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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <b>NOT</b> followed the recommendation in full for the whole of the period above. We have disclosed ...
<p>1.5 A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) 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>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b><a href="http://www.selectharvests.com.au/governance">http://www.selectharvests.com.au/governance</a></b></p> <p>... the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <b>NOT</b> followed the recommendation in full for the whole of the period above. We have disclosed ...
1.6	<p>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, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>



<b>Corporate Governance Council recommendation</b>	<b>We have followed the recommendation in full for the whole of the period above. We have disclosed ...</b>	<b>We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...</b>
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**PRINCIPLE 2 - STRUCTURE THE BOARD TO 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; <b><u>OR</u></b></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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p style="text-align: center;"><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b><a href="http://www.selectharvests.com.au/governance">http://www.selectharvests.com.au/governance</a></b></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b>In the Committee Membership section of the Directors' Report which is contained in the September 2019 Annual Report.</b></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a 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:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p style="text-align: center;"><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <b>NOT</b> followed the recommendation in full for the whole of the period above. We have disclosed ...
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	<p>... our board skills matrix:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p><a href="http://www.selectharvests.com.au/governance">http://www.selectharvests.com.au/governance</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></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, association 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, association 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>... the names of the directors considered by the board to be independent directors:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b>In the Directors' Report contained in the September 2019 Annual Report.</b></p> <p>... where applicable, the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b>In the Directors' Report contained in the September 2019 Annual Report.</b></p> <p>... the length of service of each director:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b>In the Directors' Report contained in the September 2019 Annual Report.</b></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
2.4	A majority of the board of a listed entity should be independent directors.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <b>NOT</b> followed the recommendation in full for the whole of the period above. We have disclosed ...
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.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location: _____ <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <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 provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location: _____ <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	<p>... our code of conduct or a summary of it:</p> <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> at this location: <b><a href="http://www.selectharvests.com.au/governance">http://www.selectharvests.com.au/governance</a></b>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

**PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING**

<p>4.1</p>	<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, 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; <b>OR</b></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>[If the entity complies with paragraph (a):]          ... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b><a href="http://www.selectharvests.com.au/governance">http://www.selectharvests.com.au/governance</a></b></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b>In the Directors' Report contained in the September 2019 Annual Report.</b></p> <p>[If the entity complies with paragraph (b):]          ... 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:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
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4.2	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>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement <b><u>OR</u></b> <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
4.3	A 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.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement <b><u>OR</u></b> <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b><u>OR</u></b> <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
<b><u>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</u></b>			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	<p>... our continuous disclosure compliance policy or a summary of it:</p> <input type="checkbox"/> in our Corporate Governance Statement <b><u>OR</u></b> <input checked="" type="checkbox"/> at this location: <a href="http://www.selectharvests.com.au/governance">http://www.selectharvests.com.au/governance</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
<b><u>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</u></b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<p>... information about us and our governance on our website:</p> <input checked="" type="checkbox"/> at this location: <a href="http://www.selectharvests.com.au/governance">http://www.selectharvests.com.au/governance</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement <b><u>OR</u></b> <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	<p>... our policies and processes for facilitating and encouraging participation at meetings of security holders:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable</p>
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
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; <b>OR</b></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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b><a href="http://www.selectharvests.com.au/governance">http://www.selectharvests.com.au/governance</a></b></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b>In the Committee Membership section of the Directors’ Report which is contained in the September 2019 Annual Report.</b></p> <p>[If the entity complies with paragraph (b):]</p> <p>... 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:</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

		<input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	
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</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
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; <b>OR</b></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 risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):]  ... how our internal audit function is structured and what role it performs:  <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> at this location:  <hr/> <i>Insert location here</i></p> <p>[If the entity complies with paragraph (b):]  ... 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:  <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> at this location:  <hr/> <i>Insert location here</i></p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:  <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b>  <input checked="" type="checkbox"/> at this location:    <b>In the Operating and Financial Review section of the Directors’ Report which is contained in the September 2019 Annual Report.</b>    <i>Insert location here</i></p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

**PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY**

<p>8.1</p>	<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; <b>OR</b></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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b><a href="http://www.selectharvests.com.au/governance">http://www.selectharvests.com.au/governance</a></b></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b>In the Committee Membership section of the Directors' Report which is contained in the September 2019 Annual Report.</b></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ 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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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8.2	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>... separately our remuneration 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"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></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>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b><a href="http://www.selectharvests.com.au/governance">http://www.selectharvests.com.au/governance</a></b></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<b><u>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</u></b>			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>