

# Appendix 4G

## Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Name of entity

Wellard Limited

ABN/ARBN

53 607 708 190

Financial year ended:

30/06/2020

Our corporate governance statement<sup>1</sup> for the period above can be found at:<sup>2</sup>

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

The Corporate Governance Statement is accurate and up to date as at 21 October 2020 and has been approved by the board.

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

Date: 21 October 2020

Name of authorised officer  
authorising lodgement:

Michael Silbert – Company Secretary

<sup>1</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.

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

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

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

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

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

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

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

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

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

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

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

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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

Key to Disclosures Corporate Governance Council Principles and Recommendations

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

Key to Disclosures Corporate Governance Council Principles and Recommendations

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

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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

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

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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



Key to Disclosures Corporate Governance Council Principles and Recommendations

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<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; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity’s risk management framework.</p>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity’s risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether a review of the entity’s risk management framework was undertaken during the reporting period in our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

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7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed how our internal audit function is structured and what role it performs at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether we have any material exposure to environmental and social risks in our Corporate Governance Statement, and comprehensive summaries of the material risks relevant to the Company's business in various of its publicly released documents, including its 3 April 2017 offer document, and in the Company's 2019 and 2020 Annual Reports</p> <p>and, if we do, how we manage or intend to manage those risks the places set out above.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>	
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have a 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>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> set out 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>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives in the Remuneration Report contained in our FY 2020 Annual report, and in our Nomination and Remuneration Committee Charter at:</p> <p><a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</p>	<p><input type="checkbox"/> set out 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><input checked="" type="checkbox"/></p> <p>and we have disclosed our policy on this issue or a summary of it in the Company's Employee Share Option Plan and Securities Trading Policy at:</p> <p><a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</p>	<p><input type="checkbox"/> set out 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>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES</b>			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	<input type="checkbox"/> and we have disclosed information about the processes in place at: ..... [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	<input type="checkbox"/> and we have disclosed the information referred to in paragraphs (a) and (b) at: ..... [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
-	<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><input type="checkbox"/></p> <p>and we have disclosed the terms governing our remuneration as manager of the entity at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>



**Wellard**

## **Corporate Governance Statement**

For the Financial Year Ending 30 June 2020

## 1 About

This Corporate Governance Statement is dated 21 October 2020 and has been approved by the Board of the Wellard Limited (ABN 53 607 708 190) (**Company**).

This Corporate Governance Statement discloses the extent to which the Company has, during the financial year ending 30 June 2020, followed the recommendations set by the ASX Corporate Governance Council in its publication, Corporate Governance Principles and Recommendations (**Recommendations**). The Recommendations are not mandatory, however the Recommendations that have not been followed for any part of the reporting period have been identified and reasons provided for not following them along with what (if any) alternative governance practises were adopted in lieu of the recommendation during that period.

The Company has adopted various Corporate Governance Policies, which provide the written terms of reference for the Company's corporate governance duties.

The Company's Corporate Governance Policies are available on the Company's website at <http://www.wellard.com.au>

## 2 Board & Sub-committee Composition

As reported in the Company's 2019 Corporate Governance Statement, on 3 August 2018, Mr. John Klepec was appointed to the position of Executive Chairman. He remains in that position as at the date of this report. Mr. Klepec had formerly been a non-executive independent Director of the Board of Wellard Limited. Since his appointment, he is no longer considered non-executive or independent.

The Company has not appointed any new Directors in FY2020.

Mr John Stevenson has been a Director since 6 August 2018, and also held the role of Group CFO until 22 November 2019. Accordingly, Mr. Stevenson ceased being an executive director and became a non-executive director on 22 November 2019. The Board believes that Mr. Stevenson exercises independent thought and analysis in his approach to Wellard matters. He is not the board appointee of any shareholder.

Mr. Philip Clausius is currently the only independent, non-executive Board Member. Accordingly, neither the Board nor any Board sub-committees comprise a majority of independent directors. Mr. Clausius does not hold shares in Wellard and does not represent any shareholder. He exercises independent thought and analysis in matters relating to Wellard.

Having completed its operational, financial and strategic balance sheet restructure during FY20, the Company may consider the appointment of new independent directors if the opportunity arises, and a suitable candidate presents. The Company does not presently consider the cost of a larger Board or sub-committees to be appropriate. The Board and each sub-committee conduct careful and constant reviews of any conflicts of interest, and has in place a Board Charter with rigorous guidelines in this regard.

The Company does not comply fully with some ASX Recommendations, including 1.5 (setting and reporting on measurable objectives for achieving gender diversity) 2.1 (majority independent membership of Nomination Committee); 2.4 (majority independent membership of the Board); 2.5 (Independent Chairman); 4.1 (majority independent membership of Audit Committee); 7.1 (majority independent membership of Risk Committee); 7.3 (internal audit function); and 8.1 (majority independent membership of Remuneration Committee) for the financial year ending 30 June 2020 as set out in this 2020 Corporate Governance Statement.

Note that due to its small size, the Company combines various functions in its (i) Audit and Risk Committee; and (ii) its Remuneration and Nomination Committee.

### 3 Summary of Policies

Recommendation	Comply	Comment
<b>Principle 1: Lay solid foundations for management oversight</b>		
<p><b>Recommendation 1.1</b></p> <p>A listed entity should have and disclose a charter which sets out the respective roles and responsibilities of the Board, the Chair and management, and includes a description of those matters expressly reserved to the Board and those delegated to management.</p>	<p>Yes</p>	<p>The Company's Board Charter is available at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</p> <p>The Company notes the following matters expressly reserved to the Board:</p> <ul style="list-style-type: none"> <li>- appointing the Board's Chair and the Company's Chief Executive Officer;</li> <li>- setting and monitoring the Company's strategic objectives;</li> <li>- approving and monitoring strategic and financial plans;</li> <li>- approving and monitoring annual budgets and business plans;</li> <li>- approving and monitoring major capital expenditure, capital management and all major corporate transactions, including the issue of securities;</li> <li>- approving financial reports and material external communications and reports in accordance with the Company's Continuous Disclosure Policy;</li> </ul>



Recommendation	Comply	Comment
		<ul style="list-style-type: none"> <li>- overseeing the integrity of accounting and corporate reporting systems, including the external audit;</li> <li>- appointing, re-appointing and removing the Company's external auditors and approving the auditor's remuneration, upon recommendation from the Company's Audit and Risk Compliance Committee; and</li> <li>- determining the Company's dividend policy.</li> </ul>
<p><b>Recommendation 1.2</b></p> <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 relevant to a decision on whether or not to elect or re-elect a Director.</p>	<p>Yes</p>	<p>The Company notes the following:</p> <ul style="list-style-type: none"> <li>- potential directors are required to complete a standardised process to confirm that candidate's qualifications, experience, history and character are suitable for the Company; and</li> <li>- information concerning each Director's qualifications, experience, other material directorships, terms of appointment and all other relevant material information are included in the Company's 2020 Annual Report, commencing on p. 19.</li> </ul>
<p><b>Recommendation 1.3</b></p> <p>A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.</p>	<p>Yes</p>	
<p><b>Recommendation 1.4</b></p> <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>Yes</p>	

Recommendation	Comply	Comment
<p><b>Recommendation 1.5</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a diversity policy</p> <p>(b) through its Board or a committee of the Board set measurable objectives for achieving gender diversity in the composition of its Board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(i) the measurable objectives set for that period to achieve gender diversity;</p> <p>(ii) the entity's progress towards achieving those objectives; and</p> <p>(iii) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a 'relevant employer' under the Workplace Gender Equality Act, the entity's most recent "Gender Equality</p>	<p>Partially</p>	<p>The Company notes the following:</p> <ul style="list-style-type: none"> <li>- the Company has a diversity policy in accordance with the Recommendation;</li> <li>- the Company's Diversity Policy is available at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</li> <li>- the Company did not set any measurable objectives for achieving gender diversity during FY2020;</li> <li>- accordingly, the Company has not disclosed measurable objectives for achieving gender diversity in accordance with the Recommendation;</li> <li>- the Company's Workplace Gender Equity Reports are available on the Company's website.</li> <li>- the Company is not a 'relevant employer' under the Workplace Gender Equality Act; and</li> <li>- the Board considers diversity to encompass a range of factors, including (but not limited to) gender, age, race, and an individual's culture, background and location.</li> </ul>

Recommendation	Comply	Comment
Indicators”, as defined in the Workplace Gender Equality Act.		
If the entity was in the S&P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	N/A	
<p><b>Recommendation 1.6</b></p> <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>	Yes	<p>The charter of the Company’s Remuneration and Nomination Committee is available at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</p> <p>The Company notes the following:</p> <ul style="list-style-type: none"> <li>- the Remuneration and Nomination Committee is responsible for scheduling formal performance reviews of the Board and its committees every financial year;</li> <li>- the Committee then makes a recommendation to the Board, which undertakes an evaluation process to review its own performance; and</li> <li>- in light of the Company’s size and resources, the Company did not carry out a formal performance review of the Board and its committees in FY2020.</li> </ul>
<p><b>Recommendation 1.7</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p>	Yes	<p>The charter of the Company’s Remuneration and Nomination Committee is available at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</p> <p>The Company notes the following:</p>

Recommendation	Comply	Comment
<p>(b) disclose, for each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process during or in respect of that period.</p>		<ul style="list-style-type: none"> <li>- the Executive Chairman is responsible for assessing the performance of the Executive Management Team on an annual basis by measuring performance against key performance indicators;</li> <li>- for certain matters the Executive Chairman makes a recommendation to the Nomination and Remuneration Committee, which then considers and, where necessary, approves or denies those recommendations.</li> </ul>
<b>Principle 2: Structure the Board to be effective and add value</b>		
<p><b>Recommendation 2.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ol style="list-style-type: none"> <li>(1) has at least three members, a majority of whom are independent Directors; and</li> <li>(2) is chaired by an independent Director,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>(3) the charter of the committee;</li> <li>(4) the members of the committee; and</li> <li>(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.</li> </ol> <p>(b) If it does not have a nomination committee, disclose that fact and the processes it employs to</p>	<p>Partial</p>	<p>The Board Charter is available at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</p> <p>The Company notes the following:</p> <ul style="list-style-type: none"> <li>- the Company's Board is chaired by Executive Director Mr. John Klepec.</li> <li>- The Board does not include a majority of independent Directors, and comprises 4 members: Mr John Klepec (non-independent), Mr Philip Clausius (independent), Mr. John Stevenson (non-independent) &amp; Mr Kanda Lu (non-independent).</li> <li>- The Board is of the view that Mr Stevenson will act in all substantive ways as an independent Director, notwithstanding his relatively recent retirement from his executive role with the Company.</li> <li>- see page 32 of the Company's FY2020 Annual Report for the number of times the Board and its committees met throughout the period and the individual attendances of the members at those meetings.</li> </ul>

Recommendation	Comply	Comment
<p>address Board succession issues and to ensure that the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.</p>		<ul style="list-style-type: none"> <li>- All Directors are provided papers for and are invited to attend all Board and all Committee meetings.</li> <li>- Committee members or invitees are restricted or excluded from matters in which they have a conflict.</li> <li>- The Board access to external independent professional advice should it be required.</li> </ul>
<p><b>Recommendation 2.2</b></p> <p>A listed entity should have and disclose a Board skills matrix setting out the mix of skills that the Board currently has or is looking to achieve in its membership.</p>	<p>Yes</p>	<p>The Company notes the following:</p> <ul style="list-style-type: none"> <li>- the Board recognises that each Director will not necessarily possess experience in all areas relevant to the Company's operations, and so seeks to ensure that its membership includes an appropriate mix of directors with skills, knowledge and experience in agriculture, shipping, other relevant industry sectors, general management, legal and finance; and</li> <li>- set out in Schedule 1 is the Board Skills Matrix, which provides a summary of the skills and experience of the Directors.</li> </ul>
<p><b>Recommendation 2.3</b></p> <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 or relationship of the type described in Box 2.3 but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position or</p>	<p>Yes</p>	<p>The Company notes the following:</p> <ul style="list-style-type: none"> <li>- Mr Philip Clausius is considered to be an independent director;</li> <li>- Whilst not meeting the technical test of independence, the Board is of the view that Mr Stevenson will act as an independent Director; and</li> <li>- the length of service of each Director is set out on page 35 of the Company's 2020 Annual Report.</li> </ul>

Recommendation	Comply	Comment
<p>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><b>Recommendation 2.4</b></p> <p>A majority of the Board of a listed entity should be independent Directors.</p>	No	<p>The Board does not include a majority of independent Directors.</p> <p>The Company is continuing to evaluate its Board composition and may appoint additional non-executive directors should an appropriate candidate be identified.</p>
<p><b>Recommendation 2.5</b></p> <p>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>	No	<p>The Executive Chairman, Mr. John Klepec, is not independent, and is currently functioning as CEO.</p>
<p><b>Recommendation 2.6</b></p> <p>A listed entity should have a program for inducting new Directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.</p>	Yes	<p>The Company's Board charter is available at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</p> <p>The Company notes the following:</p> <ul style="list-style-type: none"> <li>- the Executive Chairman, together with the Company Secretary, include educational materials in the majority of the Board's meeting materials.</li> <li>- The Executive Chairman consistently evaluates the skills and experience of the Company's directors and considers whether additional professional development programs are required to ensure the Board has an adequate mix of skills and experience; and</li> <li>- the Company Secretary implements an induction program for new directors.</li> </ul>

Recommendation	Comply	Comment
<b>Principle 3: Instil a culture of acting lawfully, ethically and responsibly</b>		
<p><b>Recommendation 3.1</b></p> <p>A listed entity should articulate and disclose its values.</p>	<p>Yes</p>	<p><b>WELLARD'S VISION AND VALUES:</b></p> <p><i>Wellard has built its business on passion, commitment and the courage to innovate.</i></p> <p><i>Our company is dedicated to the efficient, sustainable and compassionate production and export of protein throughout the world.</i></p> <p><i>We want to pioneer and achieve best practice, create opportunities for our business partners and assist both our stakeholders and communities in which we operate wherever possible.</i></p> <p>The Company's employees and Board are all provided with copies of its Code of Conduct, which contains the above Vision and values, and have received training on its meaning and contents.</p>
<p><b>Recommendation 3.2</b></p> <p>A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</li> <li>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</li> </ul>	<p>Yes</p>	<p>The Company's Code of Conduct can be accessed at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</p>

Recommendation	Comply	Comment
<p><b>Recommendation 3.3</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a whistle-blower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</p>	Yes	<p>The Company's Whistleblower Policy can be accessed at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a></p> <p>The Board is informed on any material incidents reported under the Company's whistle-blower policy</p>
<p><b>Recommendation 3.4</b></p> <p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.</p>	Yes	<p>The Company's Anti-Bribery and Corruption Policy can be accessed at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a></p> <p>The Board is informed on any material incidents reported under the Company's Anti Bribery and Corruption policy</p>
<p><b>Principle 4: Safeguard integrity in corporate reports</b></p>		
<p><b>Recommendation 4.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(b) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and</p> <p>(c) is chaired by an independent Directors, who is not the Chair of the Board,</p>	Partial	<p>The Company's Audit and Risk Compliance Committee Charter can be accessed at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</p> <p>The Company notes the following:</p> <ul style="list-style-type: none"> <li>- the Company's Audit, Risk &amp; Compliance Committee comprised Mr John Klepec, Mr Philip Clausius and Mr John Stevenson.</li> <li>- The Committee does not include a majority of independent Directors if applying the technical test of independence, however the Board is of the view that Mr Stevenson will act as an independent Director.</li> </ul>



Recommendation	Comply	Comment
<p>and disclose:</p> <ul style="list-style-type: none"> <li>(d) the charter of the committee;</li> <li>(e) the relevant qualifications and experience of the members of the committee; and</li> <li>(f) in relation to each reporting period the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> <li>(g) 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.</li> </ul>		<ul style="list-style-type: none"> <li>- the Company's Audit, Risk &amp; Compliance Committee is chaired by Mr John Klepec.</li> <li>- see pages 19 and 20 of the Company's FY2020 annual report for a summary of the Audit, Risk &amp; Compliance Committee Members' qualifications and experience, and page 32 for a summary of the number of times the Company's Audit, Risk &amp; Compliance Committee met throughout the period and the individual attendances of the members at those meetings.</li> <li>- All Directors are provided papers for and are invited to attend all meetings of the Company's Audit, Risk &amp; Compliance Committee</li> <li>- Committee members or invitees are restricted or excluded from matters in which they have a conflict.</li> <li>- The Committee Chairman holds qualifications and has experience which the Board considers appropriate and suitable for the role, and has access to external independent professional advice should it be required.</li> </ul>

Recommendation	Comply	Comment
<p><b>Recommendation 4.2</b></p> <p>The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity 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 efficiently.</p>	<p>Yes</p>	<p>The Board received the appropriate declarations from its Executive Chairman (CEO-equivalent) and CFO. The Board believes this is appropriate and that the recommendation is met.</p>
<p><b>Recommendation 4.3</b></p> <p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor</p>	<p>Yes</p>	<p>The Company does not make any periodic corporate report to the market other than its full-year and half-year financial results, both of which are externally audited.</p>

Recommendation	Comply	Comment
<b>Principle 5: Make timely and balanced disclosure</b>		
<b>Recommendation 5.1</b> A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Yes	The Company's Continuous Disclosure Policy can be accessed at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a> .
<b>Recommendation 5.2</b> A listed entity should ensure that its Board receives copies of all material market announcements promptly after they have been made	Yes	The Board's directors receive all market announcements made by the Company via an automated email service.
<b>Recommendation 5.3</b> A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Yes	
<b>Principle 6: Respect the rights of security holders</b>		
<b>Recommendation 6.1</b> A listed entity should provide information about itself and its governance to investors via its website.	Yes	The Company maintains a well maintained and informative website at: <a href="http://www.wellard.com.au">www.wellard.com.au</a> The Company's Corporate Governance Policies are available at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a> .
<b>Recommendation 6.2</b> A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Yes	The Company places significant importance on effective communication with shareholders and is committed to keeping them informed of all major developments that affect the Company. This information is communicated through:

Recommendation	Comply	Comment
		<ul style="list-style-type: none"> <li>- the Company's Annual Report and Half-Year Financial Report;</li> <li>- the Company's announcements, which comply with continuous disclosure obligations in accordance with ASX Listing Rules;</li> <li>- market briefings to assist shareholders and stakeholders to understand key issues (none have been required in FY20);</li> <li>- communications posted on the Company's website;</li> <li>- the Chairman's address at the Company's Annual General Meeting;</li> <li>- other Shareholder meetings</li> </ul>
<p><b>Recommendation 6.3</b></p> <p>A listed entity should disclose how it facilitates and encourage participation at meetings of security holders.</p>	<p>Yes</p>	<p>The Company notes the following:</p> <ul style="list-style-type: none"> <li>- the Company's website has a dedicated 'Investors' section that is updated regularly for the purpose of displaying all pertinent Company information, including media releases and presentations;</li> <li>- the Company facilitates and encourages participation at meetings of shareholders and all shareholders are encouraged to attend in person; and</li> <li>- the Company provides adequate opportunity for shareholders to post questions in advance of a meeting or ask questions at the end of each meeting.</li> </ul>
<p><b>Recommendation 6.4</b></p> <p>A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</p>	<p>Yes</p>	<p>All resolutions put to shareholders are decided by poll.</p>

Recommendation	Comply	Comment
<p><b>Recommendation 6.5</b></p> <p>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its share registry electronically.</p>	<p>Yes</p>	<p>Shareholders wishing to receive communications from and send communications to the Company and its share registry electronically should contact the Company's Share Registry, Link Market Services, on +61 1300 554 474.</p> <p>The Company periodically sends correspondence to Shareholders via its share registry encouraging shareholders to receive all communications electronically.</p>

Recommendation	Comply	Comment
<b>Principle 7: Recognise and manage risk</b>		
<p><b>Recommendation 7.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(i) has at least three members, a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) 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.</p> <p>(b) If it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</p>	Partial	<p>The Company's Audit, Risk &amp; Compliance Charter can be accessed at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</p> <p>The Company notes the following:</p> <ul style="list-style-type: none"> <li>- the Company's Audit, Risk &amp; Compliance Committee comprises Mr John Klepec, Mr John Stevenson and Mr Philip Clausius.</li> <li>- The Committee does not include a majority of independent Directors if applying the technical test of independence, however the Board is of the view that Mr Stevenson will act as an independent Director.</li> <li>- the Company's Audit, Risk &amp; Compliance Committee is chaired by Mr John Klepec.</li> <li>- see pages 19 and 20 of the Company's FY2020 annual report for a summary of the Audit, Risk &amp; Compliance Committee Members' qualifications and experience, and page 32 for a summary of the number of times the Company's Audit, Risk &amp; Compliance Committee met throughout the period and the individual attendances of the members at those meetings.</li> <li>- All Directors are provided papers for and are invited to attend all meetings of the Company's Audit, Risk &amp; Compliance Committee.</li> <li>- Committee members or invitees are restricted or excluded from matters in which they have a conflict.</li> <li>- The Committee Chairman holds qualifications and has experience which the Board considers appropriate and suitable for the role, and has access to external independent professional advice should it be required.</li> </ul>

Recommendation	Comply	Comment
<p><b>Recommendation 7.2</b></p> <p>The Board or a committee of the Board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the Board; and</p> <p>(b) disclose in relation to each reporting period, whether such a review has taken place.</p>	<p>Yes</p>	<p>The Company's Audit, Risk &amp; Compliance Committee Charter can be accessed at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</p> <p>The Company notes the following:</p> <ul style="list-style-type: none"> <li>- a role of the Audit, Risk &amp; Compliance Committee is to oversee risk; and</li> <li>- the Audit, Risk &amp; Compliance Committee undertook a review of the Company's risk management plan to ensure it is appropriate.</li> </ul>
<p><b>Recommendation 7.3</b></p> <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>Partial</p>	<p>In light of the Company's size and resources, the Company has adopted an internal audit function that utilises external consultants when required.</p> <p>The Company is audited externally by PwC in Singapore and in Australia, and the audit process allows for the identification of systems or processes that may present opportunities for improvement.</p>
<p><b>Recommendation 7.4</b></p> <p>A listed entity should disclose whether it has any material exposure to environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>Yes</p>	<p>The Company has included a comprehensive summary of the material risks relevant to the Company's business in various of its publicly released documents, including its 3 April 2017 offer document, and in the Company's 2019 and 2020 Annual Reports.</p>

Recommendation	Comply	Comment
<b>Principle 8: Remunerate fairly and responsibly</b>		
<p><b>Recommendation 8.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent Director,</p> <p>and disclose</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) 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.</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>	Partial	<p>The charter of the Company's Remuneration &amp; Nomination Committee is available at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</p> <p>The Company notes the following:</p> <ul style="list-style-type: none"> <li>- the Company's Remuneration &amp; Nomination Committee comprised Mr John Klepec and Mr Philip Clausius.</li> <li>- The Committee does not include a majority of independent Directors, and comprises 2 members not 3.</li> <li>- the Company's Remuneration and Nomination Committee is chaired by Mr Philip Clausius (Independent Director).</li> <li>- see page 32 of the Company's 2020 Annual Report for the number of times the committee met throughout the period and the individual attendances of the members at those meetings.</li> <li>- All Directors are provided papers for and are invited to attend all meetings of the Company's Remuneration &amp; Nomination Committee</li> <li>- Committee members or invitees are restricted or excluded from matters in which they have a conflict.</li> <li>- The Committee Chairman has access to external independent professional advice should it be required</li> </ul>



Recommendation	Comply	Comment
<p><b>Recommendation 8.2</b></p> <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and other senior executives.</p>	Yes	<p>The Company's current Remuneration policy is summarised in its FY2020 Annual Report, and contained in the charter of the Company's Remuneration and nomination Committee.</p> <p>The charter of the Company's Remuneration and Nomination Committee is available at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</p>
<p><b>Recommendation 8.3</b></p> <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>	Yes	<p>The Company's Employee Share Option Plan and Securities Trading Policy is available at <a href="https://www.wellard.com.au/corporate/corporate-governance/">https://www.wellard.com.au/corporate/corporate-governance/</a>.</p> <p>The Company notes that participants are not permitted to enter into transactions that limit the economic risk of participating in the Company's equity based-remuneration scheme.</p>
<p><b>9. Additional recommendations that apply only in certain cases</b></p>		
<p><b>Recommendation 9.1</b></p> <p>A listed entity with a director who does not speak the language in which Board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those</p>	N/A	<p>The principal language of the Board and its papers is English. All Directors have excellent English language skills.</p>

Recommendation	Comply	Comment
meetings and understands and can discharge their obligations in relation to those documents.		
<b>Recommendation 9.2</b> A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	N/A	Not relevant for Wellard Limited
<b>Recommendation 9.3</b> A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	N/A	Not relevant for Wellard Limited

**Schedule 1 – FY2020 Board Skills Matrix**

Set out below is a summary of the relevant skills and experience of the Board.

