

## Appendix 4G

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

Introduced 01/07/14 Amended 02/11/15

**Name of entity**

BIG RIVER INDUSTRIES LIMITED

**ABN / ARBN**

72 609 901 377

**Financial year ended:**

30 JUNE 2020

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://bigriverindustries.com.au/Investors/?page=ASX-Announcements>

The Corporate Governance Statement is accurate and up to date as at 25 August 2020 and has been approved by the board.

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

Date: 25 August 2020

Name of Director or Secretary authorising lodgement: Steve Parks (Company Secretary)

---

<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. You can, if you wish, delete the option which is not applicable.

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.

## 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 NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	A listed entity should disclose: (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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location] ... 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): <input checked="" type="checkbox"/> Board Charter is located at <a href="http://bigriverindustries.com.au/Investors/?page=Corporate-Governance">http://bigriverindustries.com.au/Investors/?page=Corporate-Governance</a>	<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
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate 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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<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
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<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
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<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

<sup>4</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		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
1.5	<p>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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input type="checkbox"/> Diversity Policy is located at</p> <p>... and 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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement.</p> <p><b>Note:</b> We have a Diversity Policy that complies with paragraph (a). A copy of the Diversity Policy is located at <a href="http://bigriverindustries.com.au/Investors/?page=Corporate-Governance">http://bigriverindustries.com.au/Investors/?page=Corporate-Governance</a>.</p> <p>The information referred to in paragraphs (c)(1) or (2) is also provided in our Corporate Governance Statement.</p>
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>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</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>
1.7	<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>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</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>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO 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>[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>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> Nomination and Remuneration Committee charter is located at <a href="http://bigriverindustries.com.au/Investors/?page=Corporate-Governance">http://bigriverindustries.com.au/Investors/?page=Corporate-Governance</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p><input checked="" type="checkbox"/> in the Directors' Report contained within the 2020 Annual Financial Report located at <a href="http://bigriverindustries.com.au/Investors/?page=ASX-Announcements">http://bigriverindustries.com.au/Investors/?page=ASX-Announcements</a></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>OR</b></p> <p><input type="checkbox"/> at [insert location]</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>
2.2	<p>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>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</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>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (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 (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location] ... and, where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location] ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<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
2.5	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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<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.	... our code of conduct or a summary of it: <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> Code of Conduct is located at <a href="http://bigriverindustries.com.au/Investors/?page=Corporate-Governance">http://bigriverindustries.com.au/Investors/?page=Corporate-Governance</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</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>[[If the entity complies with paragraph (a):]</p> <p>... 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 <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://bigriverindustries.com.au/Investors/?page=Corporate-Governance">http://bigriverindustries.com.au/Investors/?page=Corporate-Governance</a></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"/> in the Directors' Report contained within the 2020 Annual Financial Report located at <a href="http://bigriverindustries.com.au/Investors/?page=ASX-Announcements">http://bigriverindustries.com.au/Investors/?page=ASX-Announcements</a>.</p> <p>[[If the entity complies with paragraph (b):]</p> <p>... 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 <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so 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>... 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 <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</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 that does not hold an annual general meeting and this recommendation is therefore not applicable
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</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.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so 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.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at <a href="http://bigriverindustries.com.au/Investors/?page=Home">http://bigriverindustries.com.au/Investors/?page=Home</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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</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.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</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 that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<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>[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 <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://bigriverindustries.com.au/Investors/?page=Corporate-Governance">http://bigriverindustries.com.au/Investors/?page=Corporate-Governance</a></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"/> in the Directors' Report contained within the 2020 Annual Financial Report located at <a href="http://bigriverindustries.com.au/Investors/?page=ASX-Announcements">http://bigriverindustries.com.au/Investors/?page=ASX-Announcements</a></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"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so 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</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>



## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (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>[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</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:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.4	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>... 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:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</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>[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 [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> Nomination and Remuneration Committee charter is located at <a href="http://bigriverindustries.com.au/Investors/?page=Corporate-Governance">http://bigriverindustries.com.au/Investors/?page=Corporate-Governance</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p><input checked="" type="checkbox"/> in the Directors' Report contained within the 2020 Annual Financial Report located at <a href="http://bigriverindustries.com.au/Investors/?page=ASX-Announcements">http://bigriverindustries.com.au/Investors/?page=ASX-Announcements</a></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 [insert location]</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>
8.2	<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>... 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</p> <p><input checked="" type="checkbox"/> in the Remuneration Report which forms part of the Directors' Report contained within the 2020 Annual Financial Report located at <a href="http://bigriverindustries.com.au/Investors/?page=ASX-Announcements">http://bigriverindustries.com.au/Investors/?page=ASX-Announcements</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>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
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"/> in our Corporate Governance Statement</p> <p><input checked="" type="checkbox"/> in the Trading Policy which is located at <a href="http://bigriverindustries.com.au/Investors/?page=Corporate-Governance">http://bigriverindustries.com.au/Investors/?page=Corporate-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 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>

## **BIG RIVER INDUSTRIES LIMITED**

### **2020 CORPORATE GOVERNANCE STATEMENT**

---

The Board of Directors (**Board**) of Big River Industries Limited (**Big River** or the **Company**) is ultimately responsible for the corporate governance Big River and its related entities (**Group**) including adopting appropriate policies and procedures designed to ensure that the Company is properly managed to protect and enhance shareholder interests.

This Corporate Governance Statement (**Statement**):

- reports against the 3rd edition of the Corporate Governance Principles and Recommendations issued by the ASX Corporate Governance Council (**ASX Principles**) and discloses the extent to which Big River followed the recommendations during the whole of the reporting period (being 1 July 2019 to 30 June 2020); and
- is current as at 25 August 2020, has been approved by the Board and is available on Big River's website at <http://bigriverindustries.com.au/investors/> (**Website**).

During the year, Big River undertook a review of its corporate governance policies, charters and practices to bring the Company into compliance with the 4th edition of the ASX Principles, which will be reported against for the first time in 2021.

### **PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT**

#### **Role and responsibilities of the Board and management**

The Board's primary role is to provide overall strategic guidance and financial management, implement sound corporate governance policies, practices and controls for the Company, provide effective oversight of management and demonstrate leadership.

The Company has adopted a Board Charter which was reviewed and updated during the reporting period to address the revised recommendations set out in the 4th edition of the ASX Principles. The Board charter sets out the functions and responsibilities of the Board and of management and is available on the Website.

Matters specifically reserved for the Board include:

- defining the Company's purpose and contributing to and approving management development of corporate strategy and setting performance objectives;
- approving the Company's statement of values and code of conduct to underpin the desired culture within the Company;
- appointing the chairperson (and any deputy chairperson and/or "senior independent director" (if necessary));
- appointing, and when necessary replacing, the chief executive officer;
- approving the appointment, and when necessary replacement, of other senior executives of the Company and the company secretary;

- overseeing management in its implementation of the Company's strategic objectives, instilling of the Company's values and its performance generally;
- through the chairperson, overseeing the role of the company secretary;
- approving operating budgets, major capital expenditure and acquisitions and divestments;
- overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit and the approval of dividends;
- monitoring capital management;
- overseeing the Company's process for making timely and balanced disclosure of all material information concerning it that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- ensuring that the Company has in place an appropriate risk management framework (for financial and non-financial risks) and setting the risk appetite within which the Board expects management to operate;
- approving the Company's remuneration framework and satisfying itself that remuneration policies are aligned with the Company's purpose, values, strategic objectives and risk appetite;
- satisfying itself that an appropriate framework exists for relevant information to be reported by management to the Board;
- whenever required, challenging management and holding it to account;
- monitoring the effectiveness of the Company's governance practices; and
- setting measurable objectives of the Company to achieve gender diversity in the composition of the Board, senior executives and the workforce generally.

### Day to day management

The Board has appointed the Chief Executive Officer/Managing Director (**CEO/MD**), who is responsible for overseeing the day-to-day affairs of the Company. Under delegated authority, the CEO/MD manages the Group in accordance with the strategy, plans and policies approved by the Board and manages the affairs of the Company in relation to all matters, other than those responsibilities specifically reserved to the Board, as detailed above. The CEO/MD has the authority to sub-delegate to the senior management team as appropriate.

### **Information regarding appointment and re-election of directors**

The composition, structure and proceedings of the Board are primarily governed by the Company's Constitution, the Board Charter and the applicable laws governing corporations in jurisdictions where Big River operates. The Constitution of the Company prescribes that there shall not be less than three and no more than twelve directors (not counting any alternate directors). As at the date of this Statement, there are five directors, four of whom are non-executive, with one executive director being the CEO/MD.

Prior to the appointment of a director, the Nomination and Remuneration Committee identifies candidates with appropriate skills, experience and expertise having regard to the board skills

matrix. Candidates are considered on the basis of their skills, experience, diversity and expertise that would best complement the Board's effectiveness and assist in achieving the Company's strategic objectives. Background checks are completed prior to an appointment and these may include the proposed candidate's character, experience, employment history, qualifications, criminal history, bankruptcy and disqualification status.

During the reporting period, the Board appointed Mr Brendon York as an independent non-executive director which followed the resignation of Mr Greg Laurie as a director. Big River conducted appropriate background checks prior to Mr York's appointment, which did not return any adverse findings.

Shareholders are provided with all material information to assist in making a decision whether to elect or re-elect a director at an annual general meeting (**AGM**) of the Company. This information is included within the notice of meeting which is sent to shareholders in advance of the AGM and lodged on the ASX company announcements platform.

### **Agreements with directors and senior executives**

Big River has agreements with each director and senior executive, which outlines the terms of their appointment, including time commitment envisaged and any required committee work. Each director has signed a letter of appointment and each senior executive is employed under an employment agreement.

The Company has also entered into a deed of disclosure with each director which is designed to facilitate the Company's compliance with its obligations under the ASX Listing Rules relating to disclosure of changes in directors' interests in Big River securities. Shareholdings of directors and their related parties are also monitored to identify changes that may require disclosure.

### **Accountability of the company secretary**

Big River's company secretary has a direct reporting line to the Chairperson and all directors have direct access to the company secretary, who is appointed by, and accountable to, the Board on all governance matters and the proper functioning of the Board. The role of company secretary is currently held by Mr Steve Parks. Mr Julian Rockett was a joint company secretary during the reporting period until his resignation effective 24 October 2019. A biography of the company secretary is included in the Directors' Report contained in the 2020 Annual Financial Report. The 2020 Annual Financial Report is available on the Website.

### **Diversity Policy**

The Company has established a Diversity Policy, which was reviewed and updated during the reporting period to address the revised recommendations set out in the 4th edition of the ASX Principles and is available on the Website.

The policy supports the Company's commitment to promoting diversity, recognising the value of diversity in achieving the Company's corporate objectives and maximising value to shareholders. The policy further supports the Company's aims of promoting and implementing diversity strategies:

- (a) in its employment practices, to provide inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience; and
- (b) across all components of the Company's business practices, including through its education programs, selection programs for consultants, mentoring programs and community and corporate social responsibility initiatives.

Under the policy, the Board is responsible for assessing the status of diversity within the Company and setting measurable objectives to achieve gender diversity in the composition of its Board, senior executives and workforce generally. If the Company is in the S&P/ASX 300 Index at the commencement of a reporting period, the measurable objective for achieving gender diversity in the composition of the Board shall be to have not less than 30% of its directors of each gender, within a specified period.

As at the date of this Statement, the Board has not set any measurable diversity objectives. This is an area that the Board will continue to assess including with respect to succession planning for both the Board and senior executives. Big River's existing senior executive team have a significant amount of industry experience and company knowledge. This has been a result of acquisitions made by Big River in recent years including inheriting long-term staff employed within those businesses with deep level of experience, which the Board believes is valuable to the Company. The Board considers that with the right level of succession planning, training and development and the right policies and practices in place, the gender balance between men and women represented on the Board, senior executive and across the organisation can be improved over time.

As at 30 June 2020, the proportion of women and men across the levels of Board, senior executives and total employees were as follows:

- The proportion of directors who are women: 20% (2019: 20%) and the proportion of directors who are men: 80% (2019: 80%).
- The proportion of senior executives who are women: 0% (2019: Nil) and the proportion of senior executives who are men 100% (2019: 100%)
- The proportion of employees in the whole organisation who are women: 14.5% (2019: 13.5%) and the proportion of employees in the whole organisation who are men 85.5% (2019: 86.5%)

The Company considers senior executives to be those executives who are classified as key management personnel (**KMP**).

### **Evaluation of the performance of the board, its committees and individual directors**

The Nomination and Remuneration Committee assists and advises the Board and the Chairperson on the development and implementation of a process for evaluating the performance of the Board, its committees and directors. The Nomination and Remuneration Committee is also responsible for reviewing the performance of the Chairperson and reporting the results of the evaluation to the Board.

During the reporting period, the Board considered its performance as part of an informal discussion regarding:

- its performance and compliance against the Board Charter; and
- the effectiveness of its established committees.

The Chairperson also held individual meetings with each of the directors which included a meeting with the chair of the Nomination and Remuneration Committee in respect of his own performance.

### Evaluation of the performance of senior executives

As set out in the Board charter, the Chairperson is responsible for ensuring that independent directors meet separately on a regular basis to consider, among other things, senior executive performance, including that of the CEO/MD.

In practice, the CEO/MD is responsible for annually assessing and reporting to the Board on the performance of senior executives reporting to the CEO/MD against agreed performance criteria. The review process for senior executives as set out above, was undertaken for the year ended 30 June 2020. A review by the independent directors of the performance of the CEO/MD was also undertaken for the year ended 30 June.

## PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

### Board Committees

The Board has established two committees, which assist it with the execution of its responsibilities:

- **Audit and Risk Committee** – to protect the integrity of financial statements review and monitor the Company's risk management framework; and
- **Nomination and Remuneration Committee** – to ensure that the Company remunerates fairly and responsibly, and assist the Board in nomination matters.

Each of these committees operate in accordance with specific charters approved by the Board which are located on the Website.



The applicable composition requirements and current membership of each of the Board committees are set out below:

Board Committee	Composition Recommendations	Membership
Audit and Risk Committee	At least three members, all of whom are non-executive and a majority are to be independent. The committee chair must be an independent non-executive director. The members collectively must have accounting and financial expertise and a sufficient understanding of the industry in which the Company operates.	<u>Current:</u> Brendon York (Chair)* Malcom Jackman Martin Kaplan  <u>Ceased</u> Vicky Papachristos**
Nomination and Remuneration Committee	At least three members, the majority of whom are independent, non-executive directors. The committee chair must be an independent and non-executive director.	<u>Current:</u> Vicky Papachristos (Chair)** Martin Kaplan Brendan York*  <u>Ceased</u> Malcolm Jackman***

\*Brendon was appointed to the role of chair of the Audit and Risk Committee from 24 February 2019. Brendon was chair of the Nomination and Remuneration Committee from 1 December 2019 until 24 February 2020.

\*\*Vicky held the role of chair of the Audit and Risk Committee during the reporting period until 24 February 2019. Vicky was appointed to the role of chair of the Nomination and Remuneration Committee effective 24 February 2019.

\*\*\*Malcolm held the role of chair of the Nomination and Remuneration Committee during the reporting period until 1 December 2019

The independence of directors is set out on page 8. During the whole of the reporting period:

- the Nomination and Remuneration Committee comprised three members, a majority of whom were independent directors and had an independent chair; and
- the Audit and Risk Committee comprised three members all of whom were non-executive directors and a majority of whom were independent directors and had an independent chair.

The number of committee meetings held during the reporting period and attendance at those meetings are set out in the Directors' Report contained within the 2020 Annual Financial Report.

The relevant qualifications and experience of each of the members of the committees is also set out in the Directors' Report contained within the 2020 Annual Financial Report.

The composition and effectiveness of the committees is reviewed on an annual basis.

## Nomination and Remuneration Committee

Under its charter, the role of the Nomination and Remuneration Committee in relation to nomination matters is to assist and advise the Board on:

- Board succession planning generally;
- induction and continuing professional development programs for directors;
- the development and implementation of a process for evaluating the performance of the Board, its committees and directors;
- the process for recruiting a new director, including evaluating the balance of skills, knowledge, experience, independence and diversity on the Board and, in the light of this evaluation, preparing a description of the role and capabilities required for a particular appointment;
- the appointment and re-election of directors; and
- ensuring there are plans in place to manage the succession of the CEO/MD and other senior executives.

This is to ensure that the Board is of a size and composition conducive to making appropriate decisions, with the benefit of a variety of perspectives and skills and in the best interests of the Company as a whole.

The Nomination and Remuneration Committee charter was reviewed and updated during the reporting period to address the revised recommendations set out in the 4th edition of the ASX Principles and is available on the Website.

## Board skills

The mix of skills and experience in the current composition of the Board and that the Board would look to maintain, and build on includes relevant experience and skills covering to following areas:

- industry experience;
- strategic capabilities and commercial acumen;
- financial management;
- capital markets;
- corporate governance and compliance in listed entities;
- experience in human resource management including workplace culture;
- management development and succession;
- health and safety;
- diversity and remuneration; and
- experience on the Boards of other ASX listed entities.

The Board has established the following skills matrix which represents how these skills and experience is represented on the Board collectively.

BOARD SKILLS MATRIX	Measure / Skill	Malcolm Jackman	Jim Bindon	Martin Kaplan	Vicky Papachristos	Brendan York	Totals
ROLE		Chairman	Managing Director	Director	Director	Director	
CHAIR					Nomination & Remuneration	Audit & Risk	
INDEPENDENT		✓			✓	✓	3
EXECUTIVE STATUS		Non-exec	Exec	Non-exec	Non-exec	Non-exec	
GENDER	Male	✓	✓	✓		✓	4
	Female				✓		1
AGE	20-39						0
	40-59		✓		✓	✓	3
	60+	✓		✓			2
GEOGRAPHY	Location	NSW	NSW	NSW	VIC	NSW	
SUB-COMMITTEE MEMBERSHIP	Audit and Risk Committee	✓		✓		✓	3
	Nomination and Remuneration Committee			✓	✓	✓	3
SKILL MATRIX	Industry experience	✓	✓	✓	✓	✓	5
	Current Directorship with other listed companies				✓		1
	Corporate Leadership & Strategy	✓	✓	✓	✓	✓	5
	Finance, Governance & Risk	✓	✓	✓	✓	✓	5
	International experience in markets the group operates in	✓	✓				2
	M&A experience	✓	✓	✓	✓	✓	5

The Board considers that its directors (and senior management) have the requisite collective experience skillset to discharge their respective responsibilities.

### Director independence

During the reporting period and as at the date of this report, directors on the Board were as follows:

Director	Title and Independent status	Term
James Bindon	Managing Director (not considered independent)	19 February 2016 – current
Malcolm Jackman	Chairperson* and independent non-executive director	19 February 2016 – current
Martin Kaplan	Non-executive director (not considered independent)	18 December 2015 – current
Vicky Papachristos	Independent non-executive director	4 October 2017 – current
Brendon York	Independent non-executive director	24 October 2019 – current
Greg Laurie	Chairperson** and independent non-executive director	1 March 2017 (ceased 31 July 2019)

\* Chairperson from 31 July 2019

\*\* Chairperson until 31 July 2019

There are currently four non-executive directors being Mr Jackman, Mr Kaplan, Ms Papachristos and Mr York. The Board considers Mr Jackman, Ms Papachristos and Mr York to be independent.

A director is considered independent by the Company if the director is free of any interest, position, association or relationship that might influence, or be reasonably perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders generally.

In determining independence, the Board has regard to the guidelines for director independence which are set out in the ASX Principles. The Board does not consider Mr Kaplan to be independent as he is associated with a substantial shareholder of the Company.

Mr Bindon is not considered independent by virtue of his executive position as the CEO/MD of the Company. Mr Bindon also receives performance-based remuneration and participates in Big River's Rights Plan (refer Principle 8 for further information).

The Board regularly assesses whether or not each non-executive director is independent. If a director's independence status changes, this will be disclosed to the market in a timely manner.

Directors are required to keep the Board advised of any interest that may be in conflict with those of the Company, and restrictions are applied to directors' rights to participate in discussion and to vote, as circumstances dictate, when a conflict has been identified. In particular, where a potential conflict of interest may exist, directors concerned may be required to leave the Board (or committee) meeting while the matter is considered and/or voted on in their absence.

In order to facilitate independent judgement in decision-making, each director is able to seek independent professional advice at the Company's expense, with the prior consultation with the Chairperson.

The Board currently has a majority of non-executive, independent directors. However, for part of the reporting period, from 31 July 2019 (when Mr Laurie's resignation took effect) to 23 October 2019 (the date before Mr York's appointment took effect), the Board comprised 4 directors, only 2 of whom were independent, and therefore did not have a majority of independent directors.

## Chairperson

The Board charter requires that the Chairperson of the Board be appointed by the directors, be an independent non-executive director and may not be the same person as the CEO/MD.

Mr Laurie, who was Chairperson during part of the reporting period until his resignation effective 31 July 2019, was considered to be an independent director.

The Company's current Chairperson, Mr Jackman, who assumed the role of Chairperson on 31 July 2019, is considered to be an independent non-executive director.

There is a clear division of responsibility between the Chairperson and CEO/MD.

## Director induction and professional development

The Nomination and Remuneration Committee assists and advises the Board on the induction and continuing professional development programs for directors to ensure that they have and maintain the skills and knowledge needed to perform their role as directors effectively. This includes increasing their knowledge about the Company and the industry within which the Company operates.

New directors are briefed on the business, its financial position, any material risks, the structure and functions of the Board and the structure of management and are provided with a copy of the Company's corporate governance documentation. A director induction plan is in place to facilitate this. An induction was provided to Mr York following his appointment as a director.

Directors have direct access to senior executives and the company secretary who are required to provide all information reasonably requested of them in a timely manner.

The Company also offers directors an opportunity to undertake relevant external professional development programs where appropriate.

## PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY

### Code of conduct and policy on anti-bribery and corruption

The Company is committed to acting, and strives to act, honestly and with integrity in all its dealings. The Big River Code of Conduct (**Code**) sets out the values, commitments, ethical standards and policies of the Company and outlines the standards of conduct expected of the Company and its people, taking into account the Company's legal and other obligations to its stakeholders.

The Code also sets out the Company's policy on anti-bribery and corruption. The Company has a strict policy not to offer secret commissions or bribes to further its business interests and expects that any money or opportunity or other benefit which could be interpreted as an inducement, secret commission or bribe, will not be accepted.

The Code applies to all directors, senior executives, officers, employees, contractors, consultants, other persons that act on behalf of the Company, and any of the Company's associates (as defined in the Corporations Act).

Material breaches of the Code are required to be reported to the Audit and Risk Committee and to the Board, where appropriate.

The Code was reviewed and updated during the reporting period to address the revised recommendations set out in the 4th edition of the ASX Principles and is available on the Website.

### Values

The Code underpins Big River's core values and commitments which are:

**Integrity** – we act ethically, responsibly, honestly and with integrity in all our dealings, both

internally and externally. We commit to only dealing with business partners who demonstrate similar ethical and responsible business practices.

**Respect** – we respect all people, their ideas and cultures and our words and actions must reflect this respect.

**Safety** – we are committed to providing and maintaining a safe and non-discriminatory working environment to safeguard the health and safety of our employees, consultants, contractors, customers, suppliers and other persons who visit our workplace, or who we work with, as required by law.

**Community Standards** – we act in a manner consistent with reasonable expectations of our investors and the broader community.

**Environment** – we are committed to acting responsibly towards the environment.

### Whistleblower policy

Big River recognises that individuals who are considering reporting wrongdoing may fear that their identity will be disclosed and that they may suffer retribution or other detriment by reason of having reported wrongdoing. The Company encourages a culture of reporting actual or suspected conduct which is illegal, unacceptable or undesirable, and any person who reports conduct as a whistleblower who is acting honestly, reasonably and with a genuine belief about the conduct will be supported and protected.

The Company has established a Whistleblower Policy which is aimed to:

- support the Group's values and Code of Conduct;
- ensure that individuals who disclose wrongdoing can do so safely, securely and with confidence that they will be protected and supported by the Group;
- ensure that whistleblower disclosures are dealt with appropriately and on a timely basis;
- provide transparency regarding the Group's processes for receiving, handling and investigating whistleblower disclosures;
- encourage employees and business partners of the Group to have the confidence to speak up and report wrongdoing; and
- help deter wrongdoing.

Any material disclosure under, or breach of, the Whistleblower Policy is required to be reported immediately to the Chairperson of the Board.

A copy of the Whistleblower Policy is available on the Website.

### Securities trading

The Company has adopted a Trading Policy that summarises insider trading prohibitions and sets out the Company's policy on trading in Company securities.

The Trading Policy applies to all directors, employees, officers, key management personnel, contractors and in some situations, family members and associates of Designated Persons, as defined in the Trading Policy.

Designated Persons cannot trade in the Company's securities at any time during the following

prohibited (closed) periods:

- from the day after the half year end (i.e. 1 January) to 4pm Sydney time on the business day that the Company's half yearly results are announced to ASX;
- from the day after the financial year end (i.e. 1 July) to 4pm Sydney time on the business day that the Company's annual results are announced to ASX;
- from 14 days before, to the close of trading on the business day of, the Company's annual general meeting; and
- during any extension to a closed period, and any additional period, as specified by the Board.

Designated Persons may, in exceptional circumstances as defined in the policy, trade in a prohibited period but only with the prior written consent of the Chairperson (for directors) and the company secretary (for other applicable employees). Notwithstanding the prohibited periods and approval requirements, a person is prohibited from trading at any time if they possess material, price-sensitive information about the Company that is not available in the public domain (inside information).

The policy also prohibits short term/speculative trading, margin lending, short selling of the Company's securities. Subject to the law, Designated Persons must also not:

- enter into transactions or arrangements with anyone which could have the effect of limiting their exposure to risk relating to an element of their remuneration that has not vested or that has vested but remains subject to a holding lock; or
- deal at any time in financial products associated with the Company's securities, except for the type of dealing permitted by law or a permitted dealing under the Trading Policy.

The Company's Trading Policy is located on the Website.

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

### **Audit and Risk Committee**

The Board has established an Audit and Risk Committee whose role is to assist the Board in carrying out its accounting, auditing and financial reporting responsibilities, including oversight of:

- the integrity of the Company's internal control framework and financial reporting systems and internal and external financial reporting and financial statements;
- the appointment, remuneration, independence and competence of the Company's external auditors;
- the performance of the external audit functions and review of their audits;
- the effectiveness of the Company's system of risk management and internal controls; and
- the Company's systems and procedures for compliance with applicable legal and

regulatory requirements.

Composition, membership and independence of the Audit and Risk Committee members are set out under Principle 2 of this Statement. The relevant qualifications and experience of each of the members of the committees are set out in the Directors' Report contained within the 2020 Annual Financial Report.

The number of committee meetings held during the reporting period and attendance at those meetings are set out in the Directors' Report contained within the 2020 Annual Financial Report. The CEO/MD, Chief Financial Officer (**CFO**) and representatives of the external auditor are usually invited to attend committee meetings. The chair of the committee also meets periodically with the external auditors to discuss matters relevant to the committee's responsibilities.

The Audit and Risk Committee charter was reviewed and updated during the reporting period to address the revised recommendations set out in the 4th edition of the ASX Principles and is available on the Website.

### **CEO/MD and CFO declaration**

Prior to approval of the Company's half year and full year financial statements the CEO/MD and CFO provide a written declaration to the Board, that in their opinion, the Company's financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of Big River's financial position and performance, and that this opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Big River received the signed CEO/MD and CFO declarations in respect of the half year ended 31 December 2019 and the full year ended 30 June 2020.

### **External auditor attendance at AGM**

Big River's external auditor attends the Company's annual general meetings and is available to answer questions from shareholders in relation to the conduct of the audit and the preparation and content of the external auditor's report; accounting policies adopted by Big River in relation to the preparation of the financial statements; and the independence of the external auditor.

Big River's external auditor, Deloitte Touche Tohmatsu, attended the Company's 2019 AGM.

## **PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE**

### **Disclosure and Communication Policy**

Big River is committed to complying with its continuous disclosure obligations under the ASX Listing Rules and Corporations Act to ensure its shareholders are kept informed of major developments affecting the Company, and that any market announcements made are accurate, balanced and expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions.

The Company has adopted a Disclosure and Communication Policy that establishes a



framework for compliance with relevant disclosure obligations and accountability of the Board for achieving compliance. More specifically, it:

- explains the Company's obligations under ASX Listing Rule 3.1 and the Corporations Act;
- establishes internal processes for reporting of information considered to be potentially price-sensitive and for consideration of this information by the Board;
- establishes processes for the disclosure of price sensitive information, taking into account ASX Guidance Note 8;
- establishes internal processes for briefing of analysts, investor and media companies, responding to market speculation, leaks and rumours and calling trading halts where appropriate to avoid trading occurring in an uninformed market; and
- appoints the company secretary as the person responsible for communication with the ASX in relation to listing rule matters and for general administration of the policy.

When Big River gives a new or substantive investor or analyst presentation, a copy is released to the ASX prior to giving that presentation.

Directors receive a copy of all material announcements promptly after they have been released to the ASX.

The Disclosure and Communication Policy was reviewed and updated during the reporting period to address the revised recommendations set out in the 4th edition of the ASX Principles and is available on the Website.

## **PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS**

### **Information about Big River**

Big River provides information about itself on its Website which includes details about the Company, its directors and senior executives, its share price, recent ASX announcements and financial reports, notices of meeting, details of investor contacts and copies of the key governance charters and policies referred to in this Statement.

### **Shareholder communication and investor relations**

The Company is committed to maintaining direct, open and timely communications with all shareholders. Information is communicated to shareholders through:

- the publication of the annual and interim financial reports;
- disclosures to the ASX;
- notices and explanatory memoranda of general meetings;
- updates and announcements to inform shareholders of key matters of interest issued on a needs basis;
- presentations to analysts (which are made available to all shareholders on the Website); and
- the annual general meeting.

Whilst the Company has not developed a formal investor relations program the Company aims to facilitate effective two-way communication with investors through information provided on the Website, shareholder meetings, and ability to contact the Company or its share registry with any questions using the details as provided under the 'Investor Contact' tab on the Website.

## Shareholder meetings

Big River's annual general meeting is convened usually in October or November each year. Relevant information setting out the details of the meeting, resolutions to be considered, explanatory notes on the resolutions and all other information relevant to the general meeting are included within the notice of meeting. The notice of meeting is lodged on the ASX and sent to all shareholders in accordance with their nominated communication instructions that the share registry has on record.

To encourage shareholder engagement and participation at the AGM, shareholders usually have the opportunity to attend the AGM, ask questions, participate in voting and meet the Board and executive team in person. This was the case at the 2019 AGM held in October 2019.

Due to the unprecedented COVID-19 pandemic, Big River will carefully monitor legal and regulatory requirements and recommendations and consider the place and method to hold the 2020 AGM so that:

- shareholders may exercise their right to vote and ask questions; and
- the health, safety and wellbeing of shareholders and employees is protected.

Shareholders who are unable to attend the AGM are encouraged to vote on the proposed resolutions by appointing a proxy via the proxy form accompanying the notice of meeting or online through the share registry's website. Shareholders also have the opportunity to submit written questions to Big River and the external auditor, or make comments on the management of the Company.

A copy of any investor presentation and speeches by the Chairperson and/or CEO/MD is released to the ASX before the commencement of the AGM and the outcome of voting on resolutions at the meeting is released to the market after the conclusion of the meeting.

## Electronic communication with shareholders

Big River's shareholders are able to receive communications from, and send communications to, its share registry electronically.

The Company encourages stakeholders to make contact with the Company or its share register via the details provided under the 'Investor Contacts' tab on the Company's Website.

Shareholders are encouraged to elect to receive communications, including the annual report, notice of meetings and other Company information, electronically from the share registry. By choosing to receive communications from the Company electronically, shareholders help the Company to save on costs, contribute to caring for the environment and reduce delays that may be incurred sending materials via post. This election can be made by contacting the Company's share registry directly.

## **PRINCIPLE 7 – RECOGNISE AND MANAGE RISK**

### **Audit and Risk Committee**

The Board is ultimately responsible for ensuring that sound risk management strategy and policies are in place. The Board has delegated to the Audit and Risk Committee the responsibility for identifying and overseeing major risks and the establishment and implementation of the risk management system. Further details regarding the role and responsibilities of the Audit and Risk Committee are set out under Principle 4.

All material risks affecting the Company, including both financial and non-financial risks, are reviewed and considered by the Audit and Risk Committee having regard to the risk appetite as set by the Board. All directors and senior executives are encouraged to review the business for risk on an ongoing basis and to raise any risk issues of concern with members of the Audit and Risk Committee. These protocols form the basis for the risk management system.

The Audit and Risk Committee reviews and assesses the Company's risk management framework annually and reviews the implementation, management and maintenance of appropriate enterprise-wide risk management systems, policies and procedures, reporting protocols and internal controls. A review of the risk management framework was undertaken during the reporting period and the committee is satisfied that it continues to be sound.

Composition, membership and independence of the Audit and Risk Committee members are set out under Principle 2 of this Statement.

The number of committee meetings held during the reporting period and attendance at those meetings are set out in the Directors' Report contained within the 2020 Annual Financial Report.

The Audit and Risk Committee charter was reviewed and updated during the reporting period to address the revised recommendations set out in the 4th edition of the ASX Principles and is available on the Website

### **Management of risk**

Controls have been implemented at both the group and operating levels that are designed to safeguard the Company's interests and ensure the integrity of its reporting. These include accounting, financial reporting, tax risk management systems, safety, health and environment and other internal policies and procedures, which are directed at ensuring the Company complies with regulatory requirements and community standards.

The Company's risk management framework is integrated with its day-to-day business processes and functional responsibilities. Risks are monitored and managed by management reporting to the Audit and Risk Management Committee on such matters.

The Audit and Risk Committee reviews the effectiveness of the risk management system on an ongoing basis. The Audit and Risk Committee is responsible for ensuring that the appropriate senior executives have established and implemented a risk management system throughout the organisation.

In addition to the above, the Company's external auditors provide the Audit and Risk

Committee with a report detailing any identified risk items at the completion of each half-year review and full-year audit. The Audit and Risk Committee discusses the report with the auditors and any material items are referred to the Board.

## **Internal audit**

The Company employs an internal audit resource that reviews internal controls during the course of each year. In addition, internal control reviews are undertaken by the CFO and the finance team each financial year with results reported to the Audit and Risk Committee.

## **Disclosure regarding material exposure to specific risks**

The Company is subject to risk factors that are both specific to its business activities and that are of a more general nature. Key risks facing the business were outlined in the Company's prospectus dated 24 March 2017 and have not materially changed.

The Company does not currently have any material exposure to environmental or social sustainability risks. Big River manages its risk exposure as disclosed above.

## **PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY**

### **Nomination and Remuneration Committee**

The role of the Nomination and Remuneration Committee in relation to remuneration matters is to assist and advise the Board on remuneration policies and practices for the Board, the CEO/MD, CFO, senior executives and other persons whose activities, individually or collectively, affect the financial soundness of the Company. The policies and practices are designed to:

- enable the Company to attract, retain and motivate directors, executives and employees who will create value for shareholders within an appropriate risk management framework, by providing remuneration packages that are equitable and externally competitive;
- be fair and appropriate having regard to the performance of the Company and the relevant director, executive or employee;
- comply with relevant legal requirements; and
- encourage the creation of an 'Employer of Choice' culture within the Company.

Composition, membership and independence of the Nomination and Remuneration Committee members are set out under Principle 2 of this Statement.

The number of committee meetings held during the reporting period and attendance at those meetings are set out in the Directors' Report contained within the 2020 Annual Financial Report.

The Nomination and Remuneration Committee Charter was reviewed and updated during the reporting period to address the revised recommendations set out in the 4th edition of the ASX Principles and is available on the Website.

## Remuneration policy

The Company's remuneration policy is designed to ensure that the level and composition of remuneration is both competitive and reasonable, to attract, motivate and retain employees, and to ensure that the interests of employees are aligned with those of shareholders. Total remuneration is connected to performance and is intended to be appropriate for the results delivered.

The Nomination and Remuneration Committee reviews and makes recommendations to the Board on the remuneration of the CEO/MD, CFO, and the senior executives, including:

- short and long-term remuneration, including both fixed remuneration and performance-based remuneration;
- any termination payments; and
- appropriate grants of securities under the long term incentive plan.

In making its recommendations the Committee aims to ensure that:

- remuneration is set with reference to prevailing market rates for similar positions, adjusted to account for experience, productivity and ability;
- remuneration packages are designed to motivate senior management to pursue the long-term growth and success of the Company; and
- a clear relationship exists between performance and remuneration.

Further details about Big River's remuneration philosophy, policies and practices are provided within the Remuneration Report, which is part of the Directors' Report contained within the 2020 Annual Financial Report.

### Remuneration of non-executive directors

Non-executive directors are remunerated by way of fees which are set with reference to the prevailing market rates. They do not participate in the schemes designed for the remuneration of executives, nor do they receive bonus payments or any retirement benefits other than statutory superannuation.

### Equity-based remuneration

The Company has adopted the Big River Industries Limited Rights Plan (**BRIRP**) which was last approved by shareholders at the 2018 AGM. The terms of the BRIRP are summarised in the 2020 Annual Financial Report.

As detailed under Principle 3, Big River's Trading Policy prohibits Designated Persons from entering into transactions or arrangements with anyone which could have the effect of limiting their exposure to risk relating to an element of their remuneration that has not vested or that has vested, but remains subject to a holding lock.