



Monday, 15 November 2021

## 2021 Corporate Governance Statement and Appendix 4G

Attached is the Elders Limited (**ASX:ELD**) 2021 Corporate Governance Statement and completed Appendix 4G.

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**Further Information:**

Peter Hastings, Company Secretary, 0419 222 489

**Authorised by:**

Peter Hastings, Company Secretary

# Appendix 4G

## Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Name of entity

Elders Limited

ABN/ARBN

34 004 336 636

Financial year ended:

30 September 2021

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://investors.elderslimited.com/investor-centre/?page=annual-reports>

The Corporate Governance Statement is accurate and up to date as at *15 November 2021* 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: 15 November 2021

Name of authorised officer authorising lodgement: Peter Hastings

<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 <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
<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://investors.elderslimited.com/investor-centre/?page=corporate-governance">https://investors.elderslimited.com/investor-centre/?page=corporate-governance</a> .
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"/>
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"/>
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"/>
1.5	A listed entity should: (a) have and disclose a diversity policy; (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 (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (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 (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.  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.	<input checked="" type="checkbox"/> and we have disclosed a copy of our diversity policy at: <a href="https://investors.elderslimited.com/investor-centre/?page=corporate-governance">https://investors.elderslimited.com/investor-centre/?page=corporate-governance</a> and we have disclosed the information referred to in paragraph (c) at: <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Elders 2021 Corporate Governance Statement) and if we were included in the S&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.

<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/").

## 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 in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:
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 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) at:  <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Elders 2021 Corporate Governance Statement)</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:  <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Elders 2021 Corporate Governance Statement)</p>
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) at:  <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Elders 2021 Corporate Governance Statement)</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:  <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Elders 2021 Corporate Governance Statement)</p>
<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> <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; or</li> </ol> <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 checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at:  <a href="https://investors.elderslimited.com/investor-centre/?page=corporate-governance">https://investors.elderslimited.com/investor-centre/?page=corporate-governance</a></p> <p>and the information referred to in paragraphs (4) and (5) at:  <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Elders 2021 Corporate Governance Statement)</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 at:  <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Elders 2021 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 in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:
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, 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 (c) the length of service of each director.	<input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors at: <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Elders 2021 Corporate Governance Statement) and, where applicable, the information referred to in paragraph (b) at: <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Elders 2021 Corporate Governance Statement) and the length of service of each director at: <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Elders 2021 Corporate Governance Statement)
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/>
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 checked="" type="checkbox"/>
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"/>
<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 at: <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Elders 2021 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://investors.elderslimited.com/investor-centre/?page=corporate-governance">https://investors.elderslimited.com/investor-centre/?page=corporate-governance</a>
3.3	A listed entity should: (a) have and disclose a whistleblower 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 whistleblower policy at: <a href="https://investors.elderslimited.com/investor-centre/?page=corporate-governance">https://investors.elderslimited.com/investor-centre/?page=corporate-governance</a>
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://investors.elderslimited.com/investor-centre/?page=corporate-governance">https://investors.elderslimited.com/investor-centre/?page=corporate-governance</a>

## 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 in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (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 (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.	<input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: <a href="https://investors.elderslimited.com/investor-centre/?page=corporate-governance">https://investors.elderslimited.com/investor-centre/?page=corporate-governance</a> and the information referred to in paragraphs (4) and (5) at: <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Elders 2021 Corporate Governance Statement)
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	<input checked="" type="checkbox"/>
4.3	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.	<input checked="" type="checkbox"/>
<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://investors.elderslimited.com/investor-centre/?page=corporate-governance">https://investors.elderslimited.com/investor-centre/?page=corporate-governance</a>
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"/>
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"/>
<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="https://investors.elderslimited.com/investor-centre/">https://investors.elderslimited.com/investor-centre/</a>
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>

## 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 in full for the whole of the period above. We have disclosed this 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, available at <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a>
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"/>
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"/>
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>		
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (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 (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.	<input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: <a href="https://investors.elderslimited.com/investor-centre/?page=corporate-governance">https://investors.elderslimited.com/investor-centre/?page=corporate-governance</a> and the information referred to in paragraphs (4) and (5) at: <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Corporate Governance Statement)
7.2	The board or a committee of the board should: (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 (b) disclose, in relation to each reporting period, whether such a review has taken place.	<input checked="" type="checkbox"/> and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Corporate Governance Statement)
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 governance, risk management and internal control processes.	<input checked="" type="checkbox"/> and we have disclosed how our internal audit function is structured and what role it performs at: <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (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 in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:
7.4	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.	<input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks at: <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Annual Report, pages 19 to 21) and, if we do, how we manage or intend to manage those risks at: <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Annual Report, pages 19 to 21)
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>		
8.1	The board of a listed entity should: <ul style="list-style-type: none"> <li>(a) have a remuneration committee which:               <ul 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, and disclose:                   <ul 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; or</li> </ul> </li> </ul> </li> <li>(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.</li> </ul>	<input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: <a href="https://investors.elderslimited.com/investor-centre/?page=corporate-governance">https://investors.elderslimited.com/investor-centre/?page=corporate-governance</a> and the information referred to in paragraphs (4) and (5) at: <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Corporate Governance Statement)
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	<input checked="" type="checkbox"/> 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 at: <a href="https://investors.elderslimited.com/investor-centre/?page=annual-reports">https://investors.elderslimited.com/investor-centre/?page=annual-reports</a> (Annual Report, pages 49 to 66)
8.3	A listed entity which has an equity-based remuneration scheme should: <ul style="list-style-type: none"> <li>(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</li> <li>(b) disclose that policy or a summary of it.</li> </ul>	<input checked="" type="checkbox"/> and we have disclosed our policy on this issue or a summary of it at: <a href="https://investors.elderslimited.com/investor-centre/?page=corporate-governance">https://investors.elderslimited.com/investor-centre/?page=corporate-governance</a>
<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.	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.	Not Applicable



## 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:
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.	Not Applicable
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>		
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	Not Applicable
-	<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>	Not Applicable



# FOR AUSTRALIAN AGRICULTURE

*Elders*

## *2021 Elders Corporate Governance Statement*

This corporate governance statement summarises the key elements of Elders' governance framework and practices.

Elders Limited ABN 34 004 336 636



# Corporate Governance Statement

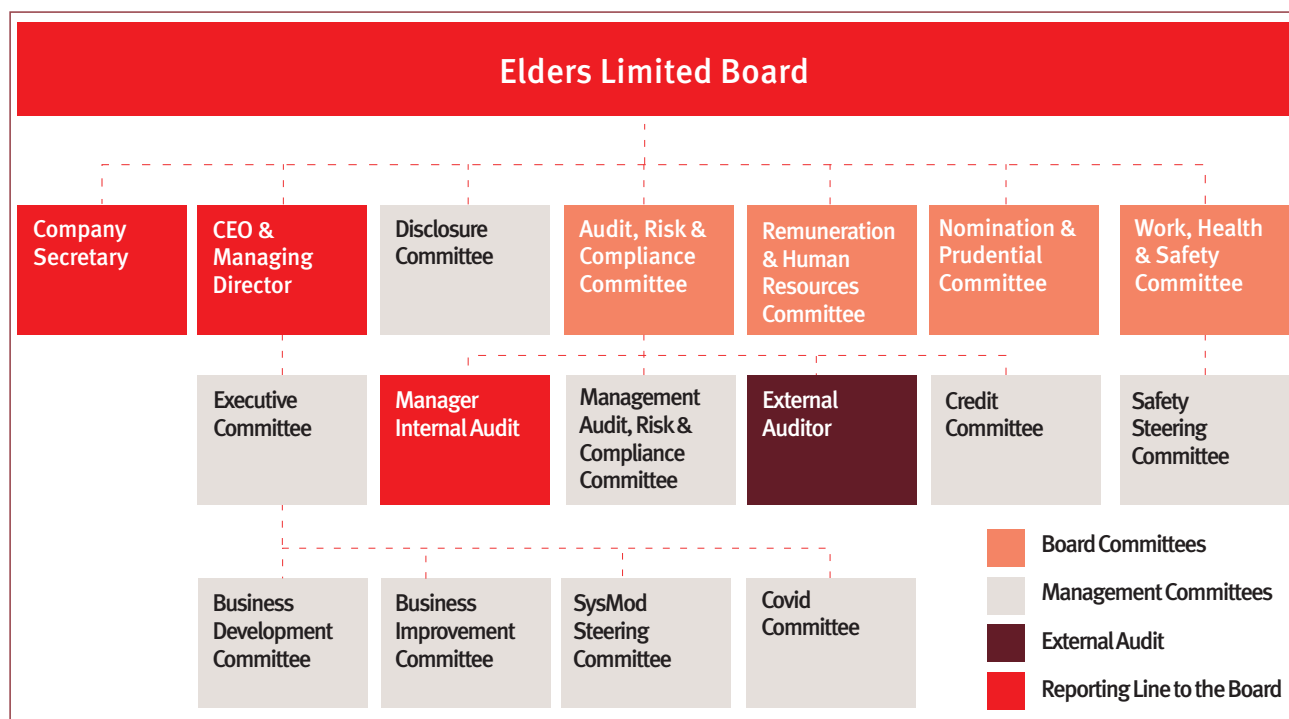
**The Directors of Elders Limited are committed to ensuring the Company maintains an effective corporate governance framework, to facilitate sustainable growth, enhance shareholder value and promote stakeholder confidence.**

During FY21, Elders complied with all of the ASX Corporate Governance Council's Principles and Recommendations, 4th Edition (ASX Recommendations). More information on Elders' compliance with the ASX Recommendations can be found in the Appendix 4G in the Corporate Governance section of our website ([elders.com.au](http://elders.com.au)), along with other complementary information such as key policies and charters discussed in this governance statement.

This Corporate Governance Statement was approved by the Board and is current as at 15 November 2021.

## Corporate Governance Framework

Elders' Corporate Governance Framework is comprised of the rules, relationships, systems and processes through which authority is exercised and controlled. The diagram below represents Elders Board and Committee structure, through which matters arising from the consolidated group are addressed. The components of Elders' Corporate Governance Framework are discussed further in this Statement.



# 1 Solid Foundations for Management and Oversight

## The Board Charter

Elders' Board of Directors (Board) has adopted a Charter that defines the duties the Board has reserved for itself and those that are delegated to management. The Board Charter is available on our [website](#).

The key responsibilities of Elders' Board include:

<b>Leadership</b>	Taking a leadership role Appointing and removing the Chief Executive
<b>Governance</b>	Monitoring effectiveness of Elders' governance framework Satisfying itself that an appropriate framework exists for relevant information to be reported by management to the Board.
<b>Culture and Conduct</b>	Approving Elders' Values and Code of Conduct Setting measurable diversity objectives Overseeing employee relations
<b>Strategy</b>	Collaboratively formulating Elders' strategic direction with management Approving the strategic plan
<b>Risk Management</b>	Overseeing audit, compliance and resilience policies, frameworks and functions Setting the risk appetite within which management operate
<b>Remuneration</b>	Satisfying itself that remuneration policies are aligned with Elders' purpose, values, strategic objectives and risk appetite. Determining the CEO's remuneration and benefits.
<b>Financial Oversight and Reporting</b>	Approving the half and full year financial statements Overseeing Elders' financial reporting to ASX, ASIC and shareholders Approving the annual operating budget Monitoring Elders' performance against its budget Determining dividends
<b>Corporate Actions</b>	Approving and monitoring material acquisitions, divestments, contracts and capital expenditure Approving capital raisings, capital reductions, buy-backs and other material corporate actions.
<b>Sustainability</b>	Considering the social, ethical and environmental impact of Elders' activities and operations Overseeing Elders' sustainability strategy and practices
<b>Shareholder Relations</b>	Overseeing communication with Elders' shareholders and the investment Community Monitoring shareholder relations Overseeing Elders' processes for timely and balanced disclosure
<b>Performance</b>	Reviewing its own performance and the performance of its committees and individual directors Monitoring and assessing the performance of the CEO and executive team

The Board Charter affirms each Directors' right to seek independent, professional advice relevant to Elders' affairs, to assist them to carry out their duties as Directors.

## Delegation to Management

Day to day management of Elders is delegated to the Chief Executive Officer and other employees. The Board monitors the CEO's performance on an ongoing basis and Elders has comprehensive delegations of authority that are periodically reviewed, under which the CEO and executive management operate.

The CEO and other Senior Executives are responsible for implementing Elders' strategic plan to achieve its objectives in accordance with Elders' values, Elders' code of conduct, the annual operating budget and risk appetite. The CEO and other Senior Executives are also responsible for providing the Board with accurate information on Elders' operations to enable the Board to perform its responsibilities.

## Appointment and Re-Election of Directors

The composition of the Board is reviewed annually and on an as needs basis, to ensure it has the appropriate mix of expertise and experience for the current and future circumstances of the Board, including making an assessment of the relevant Director's independence.

At each Elders' AGM, Director elections or re-elections are held in accordance with the following rules:

- each Director (other than the Managing Director) appointed by the Board since the last AGM must stand for election by shareholders
- each Director (other than the Managing Director) who will, at the conclusion of the meeting, have been in office for 3 or more years and 3 or more AGMs since they were last elected to office must retire and may stand for re-election
- if no Director stands for election or re-election under the above two rules, then at least one Director (other than the Managing Director) must stand for re-election

The requirements for Director appointments and elections are detailed in full in Elders' Constitution, which is available on our [website](#).

Before a Director is recommended for election or re-election, the Chair consults with the other Directors regarding the Director's effectiveness. The Board, assisted by the Nomination and Prudential Committee, then determines whether to recommend the Director for election or re-election, including making an assessment of the relevant Director's independence.

To assist shareholders to make informed decisions regarding the election and re-election of Directors, information about each candidates' standing is included in Elders' Notices of Meeting. This includes biographical details, qualifications, experience, skills, and other material directorships. The notices also include information about whether the Board considers candidates to be independent Directors and the term the Director has already served.

## Board Appointments

When a vacancy exists, or when the Board considers it would benefit from the services of a new Director with particular skills, the Nomination and Prudential Committee selects candidates with appropriate expertise and experience for consideration by the Board. It may also seek advice from external consultants when selecting candidates for Board positions.

Each candidate is assessed in accordance with the Fit and Proper Person Policy (see below) and makes a statement affirming they have sufficient time to fulfil their responsibilities as a Director of Elders, including details of their other commitments. The Board appoints the candidate it determines is most suitable, and that candidate must stand for election by shareholders at the next general meeting.

## Fit and Proper Person Policy

Elders has a fitness and propriety regime for its Directors and Senior Executives. A person nominated for a responsible person position is required to provide a Fit and Proper Attestation.

Attestations by Key Management Personnel (KMP) are verified prior to their appointment by:

- confirming work history with referees
- confirming qualifications with the issuing institution
- completing bankruptcy and national criminal history checks
- completing ASIC officer searches
- checking against banned and disqualified persons registers
- completing litigation searches
- checking with professional industry bodies, clearing house or exchanges where the person is a member to ensure he/she has not been expelled or subject to disciplinary action
- reviewing internal supplier, customer and shareholder records

All KMP make an annual declaration with respect to their ongoing fitness and propriety. This process provides Elders with assurance that existing and potential Directors and Senior Executives satisfy appropriate fitness and propriety standards to enable them to discharge their governance responsibilities. It also serves to protect Elders and the interests of shareholders by minimising risk associated with appointing and employing people who may not be fit and proper.

The complete Fit and Proper Person Policy is available on our [website](#).

## Director and Senior Executive Agreements

Formal letters of appointment, setting out the key terms and conditions of appointment, are entered into with each Non-Executive Director. These letters of appointment form an agreement under which Non-Executive Directors are required, amongst other things, to:

- disclose interests in any matters that could affect their independence and ensure they do not place themselves in a position that creates a conflict between their duty to Elders and any other interest
- comply with key corporate policies, such as the Code of Conduct and Fit and Proper Person Policy
- declare any current or potential conflicts of interest, including, but not limited to, other directorships, outside investments and other employment or engagement
- adhere to confidentiality obligations

The letters of appointment also specify arrangements that enable a Director to obtain independent, professional advice relevant to Elders' affairs and access, insurance and indemnity agreements.

Each Executive has a written contract of employment with Elders.

## Company Secretary

In accordance with Elders' Constitution, Company Secretaries are appointed by the Board. Elders currently has two Company Secretaries to serve the Board, the Board's Committees and each subsidiary in the Elders' group. This ensures that the Board is appropriately supported in governance and administration matters at all times.

Under the Board Charter, the Company Secretary is accountable to, and reports directly to, the Board (through the Chair where appropriate) on all governance matters. All Directors have unfettered access to the Company Secretary.

The role of the Company Secretary includes:

- advising the Board and its Committees on governance matters
- monitoring and ensuring that Board policy and procedures are followed
- co-ordinating preparation, finalisation and timely dissemination of Board and Committee agendas, papers and briefing materials
- ensuring that the business at the Board and Committee meetings is accurately captured in written minutes
- assisting the organisation of and facilitating the induction and professional development of Directors

## Diversity at Elders

Elders recognises that a diverse workforce is critical to attracting, retaining and leveraging talent to most effectively deliver organisational results for the benefit of our stakeholders.

Our Diversity and Inclusion Policy sets out the key elements of what makes a diverse and inclusive organisation and the value derived from embedding diversity and inclusion across our business. A copy of the Policy is available on our [website](#)

The Board has set measurable diversity objectives for Elders. Performance against those measurable diversity objectives is shown below.

		Sept 2017	Sept 2018	Sept 2019	Sept 2020	Sept 2021
<b>Measurable Objective 1</b>	Increase the representation of women in management positions <sup>1</sup> across the organisation to 25% by 30 September 2021	10%	12%	13%	15%	18%
<b>Measurable Objective 2</b>	Maintain the pipeline of female team leaders above 25%	28%	30%	31%	36%	35%
<b>Measurable Objective 3</b>	Increase the representation of women Non-Executive Directors roles to 40% or more by 30 September 2021	25%	40%	50%	50%	60%

<sup>1</sup> management positions are defined as all functional and people leaders across the business, excluding those defined as team leaders who are the subject to measurable objective 2

### Key Insights

- Elders has reached and exceeded the representation of women in NED roles by 20% (currently at 60% against a target of 40%)
- There is a strong pipeline of women team leaders and the target has been exceeded by 10% (35% against a target of 25%).
- The small decline in the percentage of women in team leader roles between September 2020 and September 2021 is a direct result of the proportion of women in team leader roles in entities Elders acquired throughout the year.
- The representation of women in management roles is currently 18%. While Elders has not reached the target of 25%, there has been significant progress with an 80% increase in representation of women in management positions since FY17. To continue to address the representation of women in management positions across the business, Elders is:
  - Partnering with an external diversity consultant to assist in creating an Elders diversity and inclusion strategy
  - Ensuring 50/50 gender representation on internal senior leader training programs
  - Ensuring women are equally represented in talent and succession planning processes
  - Ensuring 50/50 gender representation for entry level programs
  - Incorporating unconscious bias training in management development programs

Further initiatives are outlined below.

Elders recognises that diversity and inclusion incorporate significantly more than gender. In 2021, the Board reset Elders' diversity and inclusion objectives. In addition to three gender-diversity objectives, which build on prior objectives, two additional measurable objectives have been included to target diversity and inclusiveness beyond gender.

Elders' new measurable diversity objectives are:

<b>Measurable Objective 1</b>	Maintain the representation of women in Non-Executive Director roles at or 40% of above by 30 September 2025
<b>Measurable Objective 2</b>	Maintain the representation of women in Executive Positions at 40% or above by 30 September 2025
<b>Measurable Objective 3</b>	Increase the representation of women in senior positions to 25% by 30 September 2025
<b>Measurable Objective 4</b>	Increase the overall diversity of our workforce (including cultural background, sexual orientation, disability, impairment and caring responsibility)
<b>Measurable Objective 5</b>	Maintain the feeling of belonging by allowing people to be themselves at work (measured by employee engagement survey outcomes)

Elders also reports to the Workplace Gender Equity Agency annually. This report includes relative numbers of men and women in each level of management and is available on our [website](#).

Diversity targets are included in Senior Executive KPIs for short-term incentives (STI). The FY21 STI outcomes for our MD & CEO and Executive KMP are included in the Remuneration Report on pages 54 to 55 of Elders 2021 Annual Report.

### Moving Forward

Elders continues to focus on supporting mechanisms to enable a diverse and inclusive workforce, including:

- developing a Diversity Action Plan as a business-wide, action-oriented initiative that provides structure and determines our focus, activities and goals, including:
  - an increased focus on belonging and inclusion activities and actions
  - company-wide supported and encouraged cultural and diversity awareness training
  - Recognising differences through celebrating national diversity days/days of significance
- continuing Elders' graduate and trainee programs, along with leadership development programs to continue to build the capability, experience and confidence of women in the business and support their career progression
- Focussing on competency-based recruitment and selection processes to remove unconscious bias
- providing various flexible work arrangements

### Board and Director Performance Assessment

Board and Board Committee performance is reviewed annually. The Chair also holds individual discussions with each Director to discuss their performance formally at this time and informally as the need arises. The Chair of the Audit, Risk and Compliance Committee provides feedback to the Chair.

The Nomination and Prudential Committee (discussed in detail in Section 2) assists in reviewing and making recommendations to the Board on appropriate processes for reviewing the performance of the Board. Formal reviews of Board performance are periodically undertaken by an independent consultant with experience in conducting Board performance reviews. The Nomination and Prudential Committee is responsible for ensuring the outcomes of these reviews are addressed appropriately.

In FY21, the Board determined an internal performance review was appropriate for the period and the review was conducted in accordance with the process as outlined here.

The following table details the method used for performance reviews over the past three years.

	2019	2020	2021
Review Method	Internal Review	External Review	Internal Review

The Board also has a standing agenda item at each Board meeting to review the performance and conduct of the meeting, improve meeting efficiencies and ensure opportunities to reflect on the contributions made by Directors and presenters.

### Senior Executive Performance Assessment

The Non-Executive Directors are responsible for evaluating the performance of the Managing Director and CEO. Performance evaluations are based on specific criteria, including Elders' business performance, achievement of both Elders' long-term strategic and individual performance objectives. Further information regarding the CEO performance evaluation is set out in the Elders 2021 Remuneration Report, on pages 54 to 55 of the Annual Report.

The Managing Director and CEO conducts an annual performance assessment for each member of the Executive Committee, which includes an assessment of performance against specific and measurable financial and non-financial performance criteria. These outcomes are reviewed by the Remuneration and Human Resources Committee.

In FY21 a performance evaluation of each member of the Executive Committee was carried out in accordance with this process. Details of Short-Term and Long-Term Incentive performance outcomes for Executive KMP are set out in the Remuneration Report on pages 55 to 59 of the 2021 Annual Report.

## 2 Board Structure for Value and Effectiveness

### Board Meetings

There were 15 Board meetings during the financial year. The attendance of Directors at these meetings is set out in the Directors Report on page 45 of Elders' 2021 Annual Report. Where Directors are unable to attend meetings either in person, by videoconference or phone (e.g. if they are unwell), the Chair or CEO endeavours to canvass their views on key matters prior to the meeting in order to represent their views at the meeting.

The CFO has a standing invitation to attend all Board meetings and relevant Senior Executives and Management are invited to give presentations and inform the Board of important issues and developments within their area of responsibility.

Meeting agendas are set by the Chair, in conjunction with the Company Secretary and CEO. All Directors are welcome to suggest to the Chair that particular items of business be included in the agenda. Standing items at all full scheduled Board meetings include, Non-Executive Director only and Director only sessions; reports from key areas of the business, such as Work Health and Safety, People and Culture, Finance, Business Development, Business Improvement, Strategy, Systems Modernisation, Risk, Compliance, Legal and Company Secretarial; declarations of interest; and continuous disclosure. Papers are distributed to all Directors in advance of the meetings.

### Board Committees

To increase the Board's effectiveness and to allow it to spend more focused time on specific issues, the Board has four standing committees, being the Nomination and Prudential Committee, the Audit, Risk and Compliance Committee, the Remuneration and Human Resources Committee and the Work Health and Safety Committee.

The roles and responsibilities of each committee are set out in their respective charters, available on our [website](#) and summarised in this report. The Board reviews each charter periodically to ensure ongoing appropriateness.

Board Committee meetings are held at scheduled intervals during the year, with additional meetings convened as required to consider matters of special importance or to aid the efficient functioning of the Board. Typically, the Committees are scheduled to meet prior to board meetings. Following each Committee meeting, the Board receives a report from the Committee Chairs on deliberations, conclusions and recommendations. Prior to their approval, draft minutes are circulated to all Committee members for review. Approved minutes are tabled at the following Committee meeting before they are signed by the Chair. As membership of each Committee currently includes all Non-Executive Directors, Committee minutes are not included separately in Board papers.

### Nomination and Prudential Committee

The Nomination and Prudential Committee's objectives are to ensure that Elders has adopted selection, appointment and review practices that result in a board:

- with an effective composition, size, mix of skills, knowledge, experience and commitment to adequately discharge its responsibilities and duties and add value to Elders and its shareholders
- that understands and can deal with current and emerging issues of the businesses of Elders
- that can effectively review and challenge the performance of management and exercise independent judgement, while ensuring a collegiate relationship among Directors and senior management including the CEO
- that ensures shareholders and other stakeholders understand and have confidence in Elders' selection, appointment and review practices

In accordance with the Nomination and Prudential Committee Charter (available on our [website](#)), the Committee must:

- be comprised of at least three Non-Executive Directors
- have a majority of independent Directors
- be chaired by an independent Director

The current members of the Nominations and Prudential Committee, their independence status and attendance at meetings during the financial year are shown below:

Nomination and Prudential Committee Meeting Attendance and Independence Status

Committee Member	Meetings Held	Meetings Attended	Independence Status
I Wilton (Chair)	3	3	Independent
M Allison	3	3	Executive
R Clubb	3	3	Independent
D Eilert	3	3	Independent
M Quinn	3	3	Independent
R Murphy	2	2	Independent



The Nomination and Prudential Committee is responsible for regularly reviewing and making recommendations to the Board on matters shown in the table below.

The Nomination and Prudential Committee Charter also confirms the Board's authorisation for the Committee to obtain:

- from the CEO such information as is required for the Committee to discharge its responsibilities under this Charter
- where necessary, independent professional or other advice on such matters as the Committee may reasonably determine at the cost of the Company

As a condition stated in Directors' appointment letters, Directors must discuss any new Directorship appointments with the Nomination and Prudential Committee prior to acceptance.

## Directors' Skills

The Board is committed to continuous improvement in its effectiveness. Each Director aims to achieve this by:

- ensuring proper induction to the business and ongoing opportunities to familiarise themselves with Elders' business
- ensuring that she or he has enough time to devote to her or his role as an Elders' Director and that other board or personal commitments do not cause undue diary conflicts
- being well-prepared for meetings
- applying an independent and enquiring mind
- expressing thoughts and questions succinctly and clearly
- valuing and encouraging diverse perspectives, including being open to exploring dissenting views
- focusing on the significant issues and moving quickly through the less material matters
- giving meetings full attention (attending to other matters during meeting breaks)
- allowing time for reflection at the end of each Board meeting
- ensuring that anything that has the potential to affect the Director's ability to honestly or effectively perform their roles (including any conflict of interest) is disclosed to the Board in a timely fashion

## Skills, Knowledge and Experience

The Board recognises that each Director will not necessarily possess experience in all areas relevant to Elders' operations. Rather, it seeks to ensure its membership includes an appropriate mix of Directors with skills, knowledge and experience in core competencies to ensure the Board is able to fulfil its role and meet its responsibilities detailed in the Board Charter.

A summary of the Board's skills, knowledge and experience is set out overleaf.

### Matters for which the Nomination and Prudential Committee are responsible for reviewing and making recommendations to the Board

<b>Board Composition and Appointments</b>	<ul style="list-style-type: none"> <li>• the necessary competencies of members of the Board and its committees, including the appropriate mix of skills, knowledge, expertise, diversity, and other qualities and the time commitment required from a Non-Executive Director</li> <li>• determining appropriate succession plans for the Board and CEO (a separate Chair is appointed when the Committee considers a successor to the Chair)</li> <li>• ensuring the size of the Board encourages effective and efficient decision-making</li> <li>• appointing and removing Directors (including recommendations for the re-appointment of Directors retiring by rotation), and associated disclosures to shareholders</li> <li>• determining the terms of appointment of Non-Executive Directors</li> </ul>
<b>Director Independence</b>	<ul style="list-style-type: none"> <li>• assessing and reviewing the independence of Directors</li> <li>• developing appropriate policies with respect to the maximum period of service for Directors</li> </ul>
<b>Board Performance</b>	<ul style="list-style-type: none"> <li>• ensuring appropriate processes for reviewing the performance of the Board, its Committees and each Director, and addressing the outcomes of those reviews</li> <li>• continuing career development, skills development and education programs for Directors. This includes, but is not limited to ensuring Directors are briefed on material developments to laws, regulations and accounting standards</li> <li>• maintaining appropriate induction procedures designed to allow new Directors to participate fully and actively in Board decision-making at the earliest opportunity</li> </ul>
<b>Fitness and Propriety</b>	<ul style="list-style-type: none"> <li>• setting the fitness and propriety regime for Directors and other officers</li> </ul>

# Board Composition and Skills Matrix

The Board seeks to ensure its membership includes an appropriate mix of Directors with skills, knowledge and experiences in core competencies to ensure the Board is able to fulfil its role and meet its responsibilities detailed in the Board Charter. A summary of the Board's skills, knowledge and experience is set out below.

## Leadership

Business leader experience as a senior executive, director and/or Chair of a Board or Board Committee that actively contributed to improved business performance and the attainment of organisational goals.

6 of 6

## Corporate Actions and Capital Projects

Experience with large-scale, long-cycle capital projects, raising capital, mergers and acquisitions, other corporate actions that are aligned to strategy and have resulted in corporate growth and competitive advantage.

2 of 6

4 of 6

## Governance

Experience developing corporate governance frameworks, policies, practices and processes, in complex organisations subject to rigorous governance standards, to ensure effectiveness and meet Elders' commitment to achieving and maintaining highest governance standards.

6 of 6

## Data, Innovation and Technology

Experience applying data management and transformative technological strategies that have provided a commercial edge, improved business operations and enhanced customer service.

5 of 6

1 of 6

## People and Culture

Experience building and maintaining a diverse, skilled and engaged workforce that is safe at work and values-driven to achieve company goals and objectives.

6 of 6

## Operations and Supply Chain

Experience having managed or led growing wholesale and retail operations, including an in depth understanding of end-to-end supply chains with specific regard to rural products and financial services.

3 of 6

1 of 6

## Remuneration

Experience developing remuneration frameworks to attract and retain a high-calibre diverse workforce aligned to company purpose, values, strategic objectives and risk appetite.

2 of 6

4 of 6

## Sustainability and Climate Change

Experience managing or overseeing stakeholder engagement and environmental performance, including climate change risks, emissions reductions and responsible sourcing.

5 of 6

1 of 6

## Strategy

Experience defining, implementing and constructively reviewing strategic plans that have led to sustained, resilient outcomes for improved whole-of-business performance

6 of 6

## Agency

Experience managing or overseeing management of an agency business.

1 of 6

3 of 6

## Financial and Business Acumen

Experience with financial accounting and reporting, budgeting, corporate asset management and financial-risk controls.

1 of 6

5 of 6

## Regulatory Affairs

Experience in and understanding of the regulatory environment applicable to Elders and its operations.

2 of 6

2 of 6

## Audit, Risk and Compliance

Experience monitoring the effectiveness of audit, risk and compliance frameworks, policies, processes and controls, including anticipating and identifying financial and non-financial risks, to ensure the Company remains agile and resilient.

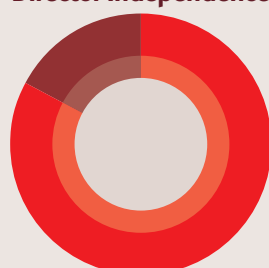
2 of 6

4 of 6

Highly Skilled - substantial career experience in all aspects required of an Elders' Director

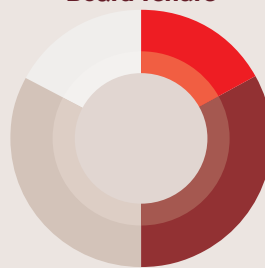
Skilled - significant career experience in many of the aspects required of an Elders Director

## Director Independence



Independent 83%  
Executive 17%

## Board Tenure



0-4 years 17%  
1-4 years 33%  
4-10 years 33%  
10+ years 17%

## NED Gender Diversity



Women 60%  
Men 40%

## Director Independence

Elders' Constitution and Board Charter both require that a majority of the Board must be independent Directors. The independence of each new Director appointed to the Board and each Director seeking election or re-election by shareholders is assessed by the Board, supported by the Nomination and Prudential Committee. In addition, each Non-Executive Director makes an annual self-declaration of independence.

In determining whether or not a Director is independent, the Board considers whether the Director:

- is a substantial shareholder in Elders
- has been an employee of Elders, a material adviser to Elders, or a principal or employee of any material adviser to Elders within the last 3 years
- receives performance-based remuneration (including options or rights) from, or participates in, an employee incentive scheme of Elders
- is a material supplier to, or a material customer of, Elders
- is directly or indirectly associated with any of the above persons
- is otherwise free from any interest and relationship (business or otherwise) that could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of Elders
- is of independent character and judgement.

Materiality is assessed on a case-by-case basis, taking a qualitative approach rather than setting strict quantitative thresholds.

As detailed in Elders' Director Independence Policy (available on our [website](#)), the Board does not believe that the period of service of a Director necessarily hinders the Director's ability to act in the best interests of the Company. Rather, that experience and knowledge of the Company's operations are important contributors to the efficient working of the Board and the best interests of the Company; just as is the Director's ability to bring independence of judgement to Board decisions.

Each of the current Non-Executive Directors is considered by the Board to be independent.

## Majority of Independent Directors

The Elders Board believes that a majority of independent directors assists it to function effectively. Non-executive Director only sessions are a standing item on the agenda of each scheduled Board meeting.

The current Directors, their length of service and independence status follows.

Directors	Years of Service	Independence Status
I Wilton (Chair)	7.6	Independent
M Allison (MD & CEO)	12.0	Executive
R Clubb	6.2	Independent
D Eilert	4.0	Independent
M Quinn	1.7	Independent
R Murphy	0.8	Independent

## The Independent Chair

The Board Charter stipulates that the Chair of the Board must be an independent Director and outlines the responsibilities of the Chair.

Ian Wilton has been the independent Chair since 11 September 2019. As Chair, Mr Wilton's responsibilities include:

- providing effective leadership to the Board in all Board matters
- ensuring efficient organisation and conduct of the Board function
- publicly representing the Board's views to stakeholders
- promoting effective relations between the Board and management
- guiding the setting of agendas and conduct of Board and meetings
- briefing all Directors on key issues
- facilitating the effective contribution of all Directors
- guiding Board deliberations, free of bias

## Managing Conflicts of Interest

Elders believes that each of its Directors should have significant experience as a director in addition to their role with Elders. Accordingly, as disclosed in the biographies of the Directors appearing on pages 42 to 43 of our 2021 Annual Report, each Elders' Director serves on boards of other entities.

This can give rise, from time to time, to actual, potential or perceived conflicts of interest or conflicts of duty by reason of:

- another company on which an Elders' Director serves engaging in transactions with, or competing with, Elders or entities in which Elders has an investment
- the Director themselves (or an entity controlled by the Director) engaging in transactions with Elders or entities in which Elders has an investment (for example AuctionsPlus Pty Ltd).
- The interests of another company on which a Director serves may also diverge from the interests of Elders.

In addition to the requirements of the Board Charter and conditions outlined in each Director's Appointment Letter, the Board has approved a Conflicts of Interest and Conflict of Duty Policy that sets out the obligations of each Director with respect to conflicts and the procedure to be followed should a conflict arise. Copies of this policy and the Director Independence Policy are both available on the Elders website.

In FY21, no interests were material to Elders and were limited to the acquisition of goods or services from, or the supply of services to, Elders. These transactions are, in all cases, on arms'-length commercial terms.

Your Directors are very conscious of the need to disclose and manage conflicts of interest and duty. Each Director has in place procedures to assist them to do so, including absenting themselves from Elders' meetings when matters in which they have a material personal interest arise, or not participating in third party decision making, or accessing relevant information, when matters concerning Elders arise. In addition, each Director must act in accordance with Elders Code of Conduct (see Section 3 of this Statement) which requires conflicts of interest to be managed.

## Director Induction and Training

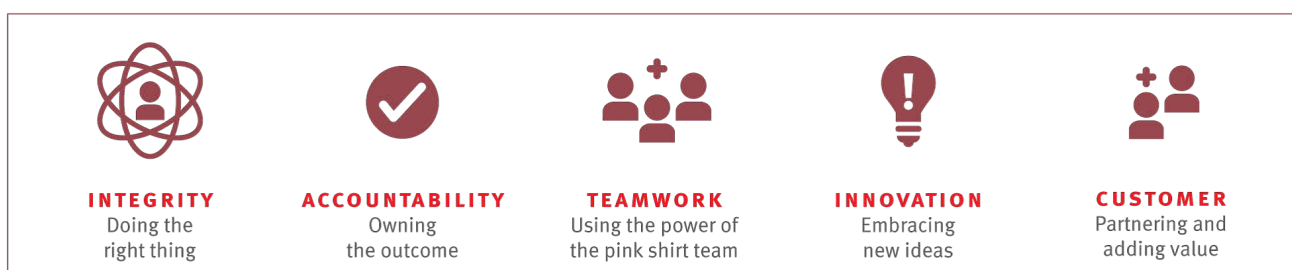
Jointly coordinated by the Company Secretary and CEO, new Directors are given a detailed briefing on key Board issues, including appropriate background documentation regarding the nature of Elders' business and its key drivers. As part of the induction program, new Directors are also given the opportunity to meet with key senior management and the external auditor.

A Non-Executive Director continuing education program has also been established under the oversight of the Nomination and Prudential Committee. This program is designed to ensure Directors are regularly briefed on the Group's businesses and on industry, technical and legislative issues impacting the Group.

Non-Executive Directors are encouraged to visit Elders' operations and, each year, the Board holds a selection of meetings outside of the Adelaide head office to interact with the Elders' team based in these locations. This also allows Directors to connect with Elders' customers and other industry professionals. The FY21 Board meeting schedule was once again disrupted by COVID-19, however several meetings were held in Adelaide. The Board intends resume its wider travel schedule once COVID-19 travel restrictions have eased.

## 3 Lawful, Ethical and Responsible Culture

### One Elders Values



Elders' core values, shown above, are integral to the way we do business. They embed the behaviours we expect of all our employees and Directors. The behaviour of every person in the business contributes to Elders' culture, which in turn contributes to sustained success and growth.

Elders' people and culture strategy is built around the One Elders Values, designed to attract and retain the best people and provide a safe and inclusive working environment.

The Board believes the tone is set from the top and remains engaged with senior management to ensure our values align with what we do in practice. Each component of Elders' corporate governance framework seeks to inform and guide adherence to our values.

The Board is responsible for monitoring Elders' culture. Management is responsible for providing information about Elders' culture to the Board and ensuring decisions and conduct are aligned with the One Elders Values.

The Remuneration and Human Resources Committee periodically reviews work place culture indicators, such as:

- employee engagement survey results
- Employment related complaints
- use of employee assistance services related to workplace concerns
- Fair Work claims
- employee turnover and feedback from exit interviews

while ensuring the anonymity expected and required in each of the above.

### Code of Conduct

The Board is committed to promoting conduct and behaviour that is honest, fair, legal and ethical and respects the rights of Elders' shareholders and other stakeholders, including clients and customers, suppliers, creditors and employees. Elders' Code of Conduct details the acceptable standards and the behaviour and responsibilities expected of Elders and its people.

In FY21 the Board approved an updated Code of Conduct, a copy of which is available on our [website](#).

The Code exists to ensure that all Elders People (all Directors, employees, contractors, consultants and suppliers) act in the best interests of Elders, manage any potential conflicting interests, act in the best interests of their customers and colleagues (absent any conflict with their duties to Elders), ensure all business is undertaken safely, fairly, honestly and ethically, maintain confidentiality, comply with Elders' policies and behave in accordance with the underpinning values of Elders.

Some of the subjects covered under the Code include: safety, health and well-being; diversity and inclusion; ethical contracting; sustainability; biosecurity; and animal welfare. The Code also includes information about how to seek assistance or make a report when something doesn't seem right.

The new Code of Conduct has been circulated to all Elders employees and training modules have been updated to reflect the changes. If a material breach of the Code occurs, Elders' serious risk and incident escalation process ensures that the Board is informed as quickly as possible.

### Discrimination, Bullying and Harassment

Elders is committed to providing an environment that is free from discrimination, harassment, workplace bullying and victimisation and will not tolerate such behaviour under any circumstance. This commitment extends to a workplace that promotes equal opportunity and fair treatment of employees, contractors, visitors and customers.

The Discrimination, Bullying and Harassment Policy prohibits harassment, bullying, victimisation and the unfavourable treatment of an individual for any personal characteristic. This includes prohibiting unfavourable treatment based on:

• Race	• Sex
• Colour	• Chosen gender
• National extraction	• Sexual preference
• Social Origin	• Marital status
• Age	• Identity of spouse
• Family or carer responsibilities	• Political opinion
• Pregnancy or potential pregnancy	• Trade union activity
• Breastfeeding	• Irrelevant criminal record
• Association with a child	• Physical features
• Religion	• Religious belief, activity, appearance or dress
• Physical or mental disability (included a work-related medical condition and)	

The policy extends to direct discrimination, which may include hiring or promotion decisions and range of duties assigned, and indirect discrimination, such as regularly scheduling meetings when individuals might be disadvantaged.

The Discrimination, Bullying and Harassment Policy defines procedures for investigating and dealing with grievances, including the use of impartial contact officers to receive and advise on grievances. When a formal grievance resolution is required, Human Resources investigates the grievance and appoints a grievance investigator, who may be an external party. Fairness principles are applied throughout the investigation. If grievances are substantiated, possible outcomes may be an apology, mediation, re-training, disciplinary action or termination of employment.

### Anti-Bribery and Corruption Policies

Elders is committed to conducting its business with integrity and has, therefore, adopted Board-approved policies against bribery, corruption and fraud. The Anti-Fraud Policy and the Anti-Bribery and Corruption Policy support the requirements in Elders' Code of Conduct and are available on our [website](#). These policies encourage reporting of non-compliance under the Whistleblower Policy.

The Anti-Fraud and Anti-Bribery and Corruption Policies are aimed at eliminating bribery, corruption and fraud and stipulate that giving or receiving improper benefits in connection with Elders business is unacceptable. These policies are supported by a number of other policies and internal processes, including:

- the Gifts and Entertainment Policy, which states gifts can only be accepted if they are of nominal value, are offered as a normal business courtesy and could not be considered as an inducement to influence a business outcome
- Delegations of Authority which prohibits payments to political parties on behalf of Elders or its group entities
- Ethical Contracting Framework and Policy, under which Elders commits to dealing only with ethical suppliers who share Elders' values

### Anti-competitive behaviour

Elders' Code of Conduct requires all Elders People to act with integrity. In part, this includes carrying out our duties in good faith, following relevant laws and procedures. The regulatory environment in which Elders operates prohibits certain behaviours, including:

- cartel conduct such as price fixing, market sharing, bid rigging and restricting outputs.
- resale price maintenance
- exclusive dealing
- misuse of market power
- misleading or deceptive conduct
- unconscionable conduct

All permanent and fixed term employees receive training on these subjects.

### Whistleblower Policy

A Whistleblower Policy has been adopted by the Board to encourage and facilitate disclosure of unacceptable conduct, including fraud or illegal activity. The Policy addresses issues associated with alleged improper conduct including reporting, responsibility, confidentiality and anonymity, complainant protections and effective investigation.

When a whistleblower report is received, Elders first determines whether the report qualifies for protection under the Whistleblower Policy and the extent of the investigation required.

Elders ensures that all investigations:

- are conducted by someone independent and impartial
- are conducted in strict confidence
- are conducted as quickly as possible (aiming for conclusion within 4 weeks of receipt of the report, depending on the nature of the report)
- are as thorough as possible
- are appropriately resourced
- protect the identity of the whistleblower
- give anyone implicated in the report an opportunity to respond before findings are made or actions taken

The Board is notified of material incidents reported under the Whistleblower Policy, protecting anonymity where required. Additional hindsight reports, including remedies and action plans, are periodically presented to the Board Audit, Risk and Compliance Committee (further information about this committee is available in Sections 4 and 7. The Remuneration and Human Resources Committee also reviews indicators of work place culture.

A copy of the Whistleblower Policy is available on our [website](#).

## 4 Integrity Safeguards for Corporate Reports

### Audit, Risk and Compliance Committee

Elders has a combined Audit, Risk and Compliance Committee, with oversight responsibilities in relation to Elders':

- financial statements and financial reporting
- financial risk management processes, accounting and control systems
- internal and external audit arrangements
- compliance with legal, regulatory and internal policy requirements
- risk management programs, in particular how they aid risk identification, assessment, monitoring and management

Under its Charter, the Audit, Risk and Compliance Committee must:

- have at least three Non-Executive Directors
- have a majority of independent Directors
- be chaired by an independent Director
- have a formal charter approved by the Board
- meet at least four times a year (or more frequently as circumstances dictate)

At least one member of the Committee is required by the Committee Charter to be a qualified accountant or hold other financial expertise and qualifications.

- Ms Clubb, an independent Director appointed as Chair of the Committee on 11 September 2019, possesses formal accounting qualifications as a Chartered Accountant
- Mr Wilton, an independent Director, is both a Chartered and a Certified Practising Accountant
- Ms Eilert, an independent Director, holds a Master of Commerce
- Mr Quinn, an independent Director, is a Chartered Accountant
- Ms Murphy, an independent Director who joined the Committee on 28 January 2021, is a Fellow of the Institute of Chartered Accountants.

Details of the members' qualifications can also be found on pages 42 to 43 of Elders 2021 Annual Report.

While ultimate responsibility rests with the Board, the role of the Audit, Risk and Compliance Committee in relation to audit matters includes matters outlined in the table below.

At each half and full year reporting period, based on its work completed throughout the year and specifically in relation to financial reporting, the Audit, Risk and Compliance Committee makes recommendations to the Board regarding the adoption of the financial statements and dividends.

As outlined in its Charter, the Audit, Risk and Compliance Committee derives its authority from the functions delegated to it by the Board and is to operate within the framework outlined the Charter but may raise other matters considered to be relevant to its responsibilities. The Committee may seek information from any employee or external party and may obtain external independent legal or professional advice at Elders' expense.

Full details of the Committee's responsibilities are outlined in the Committee Charter, available on our [website](#).

The Committee's current membership, number of times it has met, member attendance and member independence are shown overleaf.

The Managing Director and CEO, has a standing invitation to attend all of the Committee's meetings and may participate in discussions but has no voting rights.

### Audit-Related Responsibilities of the Audit, Risk and Compliance Committee

#### Financial Reporting and Risk Oversight

- reviewing the effectiveness of financial reporting and internal control policies and Elders' procedures for identification, assessment, reporting and managing financial risks
- reviewing the consistency and application of the Company's accounting policies and significant judgements exercised by management in the preparation of the financial statements
- reviewing and making recommendations to the Board in relation to whether the financial statements reflect the understanding of the Committee members of, and otherwise provide a true and fair view of, the financial position of the Company and performance of Elders.

#### Internal Audit

- approving the appointment and/or termination of the head of internal audit and any outsourced internal audit service provider, ensuring such arrangements are and remain appropriate through regular meetings, reporting and performance assessments
- approving the internal audit plan, inclusive of its scope and adequacy (see Section 7 for further information about the internal audit function)

#### External Audit

- recommending to the Board the appointment and retirement of the Company's external auditor, including audit partner rotation, in accordance with all applicable regulation and Company policy
- approving the scope of the audit, the terms of the annual audit engagement letter and audit fees, having regard to the nature and quantum of non-audit services provided by the external auditor, including the amount of fees paid for such services
- meeting with the external auditor as frequently as considered necessary by the Committee Chair. In practice, the Committee has a standing agenda item to meet with the internal and external auditors without management present at each of its meetings
- reviewing the performance and independence of the external auditor

## Audit, Risk and Compliance Committee Meeting Attendance and Independence Status

Committee Member	Meetings Held	Meetings Attended	Independence Status
R Clubb (Chair)	5	5	Independent
I Wilton	5	5	Independent
D Eilert	5	5	Independent
M Quinn	5	5	Independent
R Murphy	4	4	Independent

## CEO and CFO Certification of Financial Statements

In connection with the financial reports of the Company for the financial year ended 30 September 2021, the Board received a declaration provided under section 295A of the Corporations Act 2001 from the CEO and the CFO stating that, in their opinion:

- the financial records of the Company have been properly maintained in accordance with section 286 of the Corporations Act 2001
- the financial statements, and the notes referred to in paragraph 295(3)(b) of the Corporations Act 2001 comply with the accounting standards
- the financial statements and notes give a true and fair view of the financial position and performance of the consolidated group
- the declaration provided is based on a sound system of risk management and internal control
- that the system is operating effectively in all material respects in relation to financial reporting risks

Although s295A specifically refers to annual reporting, substantially similar assurances were also provided by the CEO, Group Financial Controller and Financial Controller Rural Products prior to Board approval of the half year financial statements. Assurances were not sought from the CFO who had given notice of his resignation before the end of the half year.

## Verification of Periodic Corporate Reporting

All periodic reports, both audited and unaudited, are reviewed by either the Board or a Board Committee prior to release to ASX. The auditors' report accompanies the financial statements, both half and full year. A summary of the other relevant reports and the body responsible for reviewing and approving each of them is shown below.

Where financial information is used in periodic reports, this information is reconciled to the relevant audited or auditor reviewed financial statements. Additionally, many of the reports shown above, such as the Directors Report, Operating and Financial Review and Investor Presentation, although not formally audited, are also read by the external auditor prior to release to the market. The auditor also reads all other components of the Annual Report.

Elders' principal operating subsidiaries hold regular oversight meetings, which the CEO and CFO both attend. Significant matters arising from those meetings are reported to the Elders Limited Board.

## External Auditor Independence

Elders has in place a Non-Audit Services Policy that:

- details Elders' position in respect of the key issues which may impair, or appear to impair, external auditor independence;
- details the internal procedures implemented to ensure the independence of auditors; and
- establishes a framework that enables the Audit, Risk and Compliance Committee to evaluate compliance with the policy and report to the Board on compliance.

PwC has been Elders' external auditor since shareholders approved the appointment in 2015. The external auditor's performance is reviewed annually by the Audit, Risk and Compliance Committee and a recommendation is brought to the Board on the appointment and remuneration of the external auditor for the following 12 months. In 2021, the Board, supported by the Audit Risk and Compliance Committee, approved the appointment of a new lead audit partner, in line with legislated auditor rotation requirements.

A copy of Elders' Non-Audit Services Policy is available on our [website](#) and information about non-audit services provided by PwC during the financial year is included in the 2021 Annual Report, on page 122.

## Summary of Reviews of Elders' Periodic Reports Prior to Release

Periodic Report	Management Reviewed	Auditor Read	Reviewed By	Approved By
Directors' Report	✓	✓	Board	Board
Operating and Financial Review	✓	✓	BARCC	Board
Remuneration Report	✓	✓	BRHRC	Board
Half and Full Year Investor Presentations	✓	✓	Board	Board
Half and Full Year Results Announcements	✓	✓	Board	Board
Material Business Risks	✓	✓	BARCC	Board
Corporate Governance Statement	✓	✗	Board	Board
Sustainability Report	✓	✗	Board	Board
Modern Slavery Statement	✓	✗	BARCC	Board



## 5 Timely and Balanced Disclosures

### Continuous Disclosure

Elders' External Disclosure and Market Communications Policy is designed to ensure timely and equal release of information, in accordance with continuous disclosure obligations, and effective communication strategies so that there is a fair and informed market for Elders' securities.

### Market Announcements

Key issues related to market announcements addressed by Elders' External Disclosure and Market Communications Policy include:

- the roles and responsibilities of all Elders people, including the Directors, CEO, CFO, and Company Secretary
- disclosure of market sensitive information to ASX in the first instance.
- the importance of accurate, balanced and clear market announcements
- the procedures followed to review and authorise market announcements, including the maintenance and proper functioning of Elders' Disclosure Committee
- safeguarding of confidential corporate information and avoidance of premature disclosure.
- ensuring ASX is provided with any information required to respond to a false market or perception of a false market
- release to the market of substantive investor presentations prior to the presentation occurring, as part of the procedures designed to avoid disclosure issues arising from investor and analyst meetings.

Elders also ensures Directors receive copies of all market announcements promptly after they are made.

A complete copy of Elders' External Disclosure and Market Communications Policy is available on our [website](#).

### Disclosure Committee and Market Communications

Elders' Disclosure Committee is responsible for determining whether disclosure of information is required or necessary. Its members are the CEO, CFO and Company Secretary and General Counsel. Where circumstances permit, the Committee will also consult with Elders' Chair.

The Disclosure Committee meets as and when required to ensure disclosures are timely, accurate, expressed clearly and objectively and do not omit material information. Processes are also in place to ensure the information Elders discloses in investor or media briefings is not 'market sensitive'. If it is determined that market sensitive information has been inadvertently disclosed during a briefing, Elders will immediately release that information to the market via ASX.

### Encouraging Participation in AGMs and Results Briefings

To facilitate investor participation in Elders' AGMs and full and half year results briefings, each of these are announced in advance to the market with details of how to join the meeting or briefing. Recordings of these events are also made available for viewing or listening on our website as soon as possible after the event.

Other significant investor briefings are generally held by recorded teleconference requiring registration so that attendees' details can be recorded. Elders generally allows investors to obtain a copy of the transcript or digital audio recording.



## 6 Respect for Shareholder Rights

### Shareholder Communication and Engagement

Elders communicates with its shareholders and investment markets through a number of channels, including the ASX announcements platform and our [website](#). The website assists shareholders seeking:

- governance information, including details of the Directors and Senior Executives, Elders' Constitution, the Board and Board Committee charters and other governance policies and materials
- ASX announcements, annual and other corporate reports and briefings regarding half and full year results
- records of Elders' share price and dividend payments
- the annual event calendar
- Annual General Meeting information, including notices of meeting, voting outcomes and recordings of the meetings
- company and share registry contact details

Our website also includes an [option to elect to receive ASX announcements by email](#) at the same time they are posted on Elders' website.

### Electronic Communications

Elders prefers to communicate with shareholders electronically. We believe electronic communication facilitates timely engagement with investors and supports our commitment to sustainability. Shareholders can update their communication preferences through the share registry portal or by completing and emailing the [online form](#) to [enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au). Shareholders can also access their holding details through the Company's share registry provider, Boardroom Pty Limited.

### Investor Relations Program

As part of Elders' commitment to ensuring stakeholder audiences are able to reach an informed and fair view of Elders, the CEO and CFO meet with the investment community and financial and business media periodically throughout the year. The Chair and other Non-Executive Directors also attend meetings, from time to time, with investors.

Stakeholder meetings take a variety of forms, including results briefings, investor conferences and 'one-on-one' meetings and discussions. They allow for questions, comments and concerns to be raised, to facilitate two-way communication between Elders and its investors. Background and technical information is also provided to institutional investors, market analysts and the financial and business media to support announcements made to ASX and announcements made about Elders' on-going business activities.

Engagement meetings with proxy and governance advisors are held throughout the year. These meetings bring together representatives of the proxy or governance advisor, the Elders Chair, the Remuneration and Human Resources Committee Chair and the Company Secretary and General Counsel. The aim of these meetings is to solicit feedback to improve our understanding of investor views of Elders and matters of concern or interest to our investors. The outcomes of these meetings are reported back to the Board.

Each of the above means of engagement take place in the context of Elders' External Disclosure and Market Communications Policy, described in Section 5.

### Shareholder Meetings

Elders has adopted in all substantial respects the ASX Recommendations for communication with shareholders and improving shareholder participation at general meetings. Shareholders are given a reasonable opportunity at the AGM to ask questions or make comments on the management of Elders.

Each AGM is streamed live, with a copy made available on the Company website after the event.

Elders shareholders using the online direct voting and proxy voting facility have the option to submit written questions to the Board. This means that all shareholders have the ability to submit written questions, even if they are unable to attend the AGM in person.

### Elders' 2021 Virtual AGM

In 2020, Elders held its first ever virtual AGM due to the coronavirus pandemic. Shareholders, proxyholders and guests were able to view the whole AGM live. Shareholders and proxyholders were also able to ask questions and cast live votes during the meeting. In 2021, Elders will once again hold a virtual AGM due to the uncertainties created by the coronavirus pandemic. Shareholders and proxyholders can view the AGM live, ask questions and cast live votes during the meeting. Guests can also view the AGM live.

Further information about the 2021 AGM can be found on our [website](#).

### Auditor attendance at AGMs

The Company's external auditor, PricewaterhouseCoopers, attends Elders' AGMs. Shareholders are given reasonable opportunity to make enquiries of the external Auditor relevant to the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by Elders and the independence of the external Auditor.

Shareholders may also submit written questions to the Auditor up to five business days prior to the AGM.

### Voting by Poll

Elders ensures that all resolutions put forward at the AGM are decided, where practicable, by a poll, rather than by a show of hands. Poll results are published on our [website](#) as soon as possible after the close of the meeting.

## 7 Risk Management

### Risk Oversight

Although ultimate responsibility sits with the Board, the Audit, Risk and Compliance Committee has delegated responsibility for financial risk management processes, compliance with legal, regulatory and internal policy requirements; and risk management programs, in particular how those programs aid risk identification, assessment, monitoring and management.

Under its Charter, the Audit Risk and Compliance Committee's risk- and compliance-related responsibilities include:

The internal auditor (see below) reports directly to the Audit, Risk and Compliance Committee. If a material breach of risk-related policy or controls occurs, the incident and lessons learned from the incident are reported directly to the Board as soon as practicable.

Management regularly reports risk changes and emerging risks to the Audit, Risk and Compliance Committee.

### Recognising and Managing Risks

Elders Resilience Policy and Framework aim to ensure Elders is a resilient organisation that recognises the safety, reputational, legal and regulatory, environmental, business disruption and financial risks associated with our business operations. Elders continually seeks to identify, analyse, evaluate, treat and monitor its risks to maximise opportunities and minimise losses through informed decision-making.

In 2021, the Audit, Risk and Compliance Committee reviewed the operational effectiveness of Elders' Resilience Framework.

Management also conducted strategic and operational risk reviews throughout the year, including reviewing risks associated with Elders' large-scale capital projects, supply chain and climate change risks.

Material business risks are actively monitored by Elders' Executive Committee and are communicated periodically to the Board in accordance with the Resilience Framework. Detail of Elders' Material Business Risks and how they are managed is included on pages 19 to 21 of Elders' 2021 Annual Report. A copy of our Resilience Policy is also available on our [website](#).

### Responsibilities for Managing Risk

The Board Audit, Risk and Compliance Committee assesses the effectiveness of internal processes to identify and manage key audit, risk and compliance obligations. The Board Work Health and Safety Committee (see Section 9) assesses the effectiveness of internal process to identify and manage key safety risks.

The CEO and Executive Committee are responsible for applying the Resilience Framework. They are accountable to the Board for:

- designing, implementing and monitoring processes for incident and risk management
- business resilience planning and
- integrating the above into the day-to-day activities of Elders' business operations.

The Corporate Governance function is responsible for providing integrated incident, risk management and business resilience

planning services to assist Elders people in the execution of their responsibilities under the Resilience Framework.

All Elders' people are responsible for managing risks and business resilience planning in their areas of responsibility.

### Internal Audit

The purpose of Elders' Internal Audit function is to provide independent, objective assurance and consulting services designed to add value and improve Elders operations. The Internal audit team operates under a charter, with a direct reporting line to the Audit, Risk and Compliance Committee and a functional reporting line through to the Chief Financial Officer. The internal audit function utilises a co-sourced arrangement with KPMG.

The internal audit plan is aligned to Elders' risk profile and approved by the Audit, Risk and Compliance Committee annually, with a three-year horizon. Coverage includes core network operations, corporate support and enabling functions, and compliance activities. The results, corresponding management actions and responses arising from these audit activities are reported to the Audit, Risk and Compliance Committee.

### Risk- and Compliance-Related Responsibilities of the Audit, Risk and Compliance Committee

<b>Compliance</b>	<ul style="list-style-type: none"> <li>• reviewing the effectiveness of Elders' compliance programme, including the design, implementation and management of the compliance framework</li> <li>• oversight of the process for reporting unacceptable conduct (see also Section 3)</li> <li>• receiving compliance reports from management</li> </ul>
<b>Risk and Resilience</b>	<ul style="list-style-type: none"> <li>• reviewing the resilience framework, including assessment of the management information systems to ensure they are efficient and effective</li> <li>• recommending to the Board policies and procedures for risk oversight</li> <li>• assessing management's performance against the risk management framework, including whether it is operating within agreed risk tolerances</li> <li>• reviewing and assessing the adequacy of control systems</li> <li>• reviewing the corporate insurance programme</li> </ul>

### Management Audit, Risk and Compliance Committee

The Management Audit, Risk and Compliance Committee (MARCC) comprises the CEO and Executive Committee members and is chaired by the Company Secretary and General Counsel. It meets quarterly to, amongst other things, assist Board and the Board Audit, Risk and Compliance Committee with the application of and compliance with Elders' Resilience Policy and Framework.

Specialist support to the MARCC is provided by internal and external experts as required.

### Exposure to Material Economic, Environmental and Social Sustainability Risks

Details of Elders' material business risks and how these are managed are provided on pages 19 to 21 of the 2021 Annual Report. Information about our sustainability initiatives is included in Elders' 2021 Sustainability Report, available on our [website](#).

### Financial Risk Management Policy

Elders has a formal Financial Risk Management Policy for management of liquidity and funding, commodity, currency, interest rate and basis risks. The primary objective of this policy is to manage the risk of financial loss to Elders measured in terms of impact on earnings arising from unfavourable movements in the financial and commodity markets.

The Board receives reports on compliance with the Policy, including on an immediate basis in the case of material breaches. The Policy is reviewed at least annually and approved by the Audit, Risk and Compliance Committee and the Board.

### Tax Risk Management

Elders has in place a Tax Risk Management Policy to ensure the systematic management of the Company's tax risks and provide the framework for tax governance. The Policy is designed to ensure that tax risk management activities are carried out in accordance with the Elders Resilience Policy and Framework. The Policy is reviewed at least every two years and approved by the Board upon the recommendation of the Board Audit, Risk and Compliance Committee.

#### Our Tax Governance Framework

#### Tax Strategy

#### Governance Policies

Tax Risk Management Policy, Tax Accounting Policy, Global Transfer Pricing Policy and Board Risk Reporting

#### Tax Operating Procedures

Income Tax, GST and FBT Compliance, Tax Sign-off and Tax Payments

## 8 Fair and Responsible Remuneration

### Remuneration and Human Resources Committee

Elders Remuneration and Human Resources Committee's objectives are to:

- ensure appropriate policies and procedures are in place to assess the remuneration levels of the CEO, Executive Management, Elders' employees generally and the Board
- ensure appropriate policies and procedures are in place to attract and retain the Chair, Non-Executive Directors, Executive Directors, CEO and Executive Management
- ensure Elders (which includes all subsidiaries and, as appropriate, associated companies) adopts, monitors and applies appropriate remuneration policies and procedures that align with the creation of shareholder value and stakeholder expectations
- engage and motivate Directors and Senior Executives to pursue the long-term growth and success of Elders

- ensure a clear relationship between business performance and remuneration of the CEO and Executive Management
- align executive incentive awards with the creation of shareholder value and the long-term growth of Elders
- ensure that Elders' people and culture strategy, policies and procedures are appropriate to Elders' needs and clearly designed and executed
- achieve diversity at all levels within Elders' workforce and on the Board, and to ensure equal treatment of employees and Directors regardless of gender identity, sexual orientation, marital or family status, family responsibilities, age, disability, religion, socio-economic background, race, ethnicity or cultural background

Under its Charter, The Remuneration and Human Resources Committee must:

- have at least three Non-Executive Directors

- have a majority of independent Directors
- be chaired by an independent Director
- have a formal charter approved by the Board
- meet at least two times a year (or more frequently as circumstances dictate)

As outlined in its Charter, the Remuneration and Human Resources Committee derives its authority from the functions delegated to it by the Board and is to operate within the framework outlined in the Charter but may raise other matters considered to be relevant to its responsibilities. The Committee may seek information from any employee or external party and may obtain external independent legal or professional advice at Elders' expense.

The Committee's responsibilities to review and make recommendations to the Board are set out below.

#### Matters for which the Remuneration and Human Resources Committee are responsible for reviewing and making recommendations to the Board

<b>Remuneration and Benefits</b>	<ul style="list-style-type: none"> <li>• policies and practices for the remuneration arrangements for the CEO, Executives, Elders' employees generally and the Board itself</li> <li>• policies and procedures to ensure alignments between remunerations, shareholder value creation and stakeholder expectations</li> <li>• remuneration packages for the CEO and remuneration of Non-Executive Directors</li> <li>• CEO recommendations for the remuneration of Executives, including consideration of any potential conflict of interest arising from indirect influence on the CEO's own remuneration</li> <li>• CEO's organisational plans for remuneration of employees in general</li> <li>• annual remuneration review applying generally across Elders</li> <li>• superannuation arrangements</li> <li>• employee share, options and rights schemes</li> </ul>
<b>Recruitment and Termination</b>	<ul style="list-style-type: none"> <li>• recruitment, retention, retirement and termination benefits of CEO, Executive Management and Non-Executive Directors</li> <li>• succession planning for Executive Management</li> </ul>
<b>Performance</b>	<ul style="list-style-type: none"> <li>• CEO key performance indicators and performance of the CEO against those KPIs</li> <li>• performance incentive programs, such as Executive short and long-term incentive plans</li> </ul>
<b>People and Culture</b>	<ul style="list-style-type: none"> <li>• people and culture strategy, policies and procedures (but not work health and safety), including recruitment, retention, retirement and termination policies</li> <li>• policies regarding workplace behaviour</li> <li>• indicators of workplace culture, including employee engagement</li> <li>• policies and measurable objectives for achieving and reporting on diversity</li> <li>• policies regarding equal treatment of all employees</li> </ul>
<b>Compliance</b>	<ul style="list-style-type: none"> <li>• employment, superannuation and industrial relations law compliance</li> </ul>
<b>External Reporting</b>	<ul style="list-style-type: none"> <li>• Appropriate disclosures on matters referred to in the Committee's Charter</li> </ul>

## Remuneration and Human Resources Committee meeting attendance and independence status

Committee Member	Meetings Held	Meetings Attended	Independence Status
D Eilert (Chair)	4	4	Independent
I Wilton	4	4	Independent
R Clubb	4	4	Independent
M Quinn	4	4	Independent
R Murphy	3	2	Independent

The current members of the Remuneration and Human Resources Committee, their independence status and attendance at meetings is shown above.

The Managing Director and CEO and General Manager People and Culture have an open invitation to attend all meetings unless the Committee Chair or the Charter require they do not attend for all or part of a meeting.

Under the Charter, the Managing Director and CEO must not be present during consideration of his remuneration arrangements. Other executives, unless the Committee agrees otherwise, must not be present during consideration of remuneration arrangements for the CEO or other executives. Based on recommendations from the Remuneration and Human Resources Committee, the Board collectively makes decisions regarding Directors' fees.

### Director and Senior Executive Remuneration

Approval of the Remuneration Report and the issue of performance rights to the Managing Director and CEO is sought from shareholders annually at the AGM.

In line with ASX Listing Rules, in 2006 shareholders approved a maximum annual aggregate fee payable to Elders directors. Since then, the Board determined to reduce the annual aggregate fee limit. Recent increases in Directors' fees have remained below the reduced aggregated limit and have been benchmarked against market practice.

A summary of Elders' remuneration policies and practices is set out in the Remuneration Report commencing on page 49 of the 2021 Annual Report.

### Securities Dealing Policy

The Board believes Non-Executive Directors and employees should own Elders' securities to further align their interests with the interests of other shareholders. Details of Directors' shareholdings in Elders can be found in the 2021 Annual Report, on page 66.

Elders' Securities Dealing Policy prescribes blackout periods during which Directors and employees may not trade in Elders' securities. Blackout periods are from 1 March and 1 September each year, until the close of trading on ASX on the day after the announcement of half and full year results respectively.

Directors or staff must not deal in Elders' securities during any blackout periods or at any time when that staff member or Director is in possession of unpublished information that, if generally available, might materially affect the price of Elders' securities. Prior to dealing, a Director, Company Secretary, Senior Executive or Elders Person (including contractors) that has or is reasonably expected to have information which may have a material effect on the price of Elders Securities must seek clearance from the Company Secretary, or if the Company Secretary wishes to trade, the Chair.

Additionally, the policy prohibits the use of derivatives or any transaction in financial products that limits the economic risk associated with holding Elders securities, whether they be vested or unvested.

A copy of the Securities Dealing Policy is available on our [website](#).

### Non-Executive Director and Executive Minimum Shareholding Policy

The Board has adopted an internal Minimum Shareholding Policy to better align the interests of Non-Executive Directors, the Managing Director and CEO, and direct reports of the Managing Director and CEO who are members of the Executive Committee with the interests of Elders' shareholders.

Under this Policy, Non-Executive Directors are required to hold shares equivalent to 100% of their annual base fees and must reach this holding within three years of their appointment dates. The CEO and his direct reports who are members of the Executive Committee must reach and maintain holdings equivalent to 50% of their total fixed remuneration within 5 years of their appointment dates.

This Policy, available on our [website](#), operates subject to compliance with the Securities Dealing Policy.

## 9 Work Health and Safety

### Work Health and Safety Committee

Elders is committed to health and safety in each of the businesses it operates. The Board seeks to ensure oversight of health and safety matters through its WHS Committee and through its standing safety agenda item at each of its regularly scheduled Board meetings.

The objectives of the Work Health and Safety Committee are to:

- ensure the appropriate policies and procedures are in place to assist Elders to meet its statutory obligations and the Board's commitment to health and safety
- ensure appropriate policies, procedures and systems are in place to effectively manage, measure and improve WHS activities
- oversee the provision by management of a healthy and safe working environment and culture for all employees, contractors, clients and other visitors to Elders' work premises

The Committee is similar to other Board Committees in that it must:

- have at least three Non-Executive Directors
- have a majority of independent Directors
- be chaired by a Non-Executive Director
- have a formal charter approved by the Board
- meet at least two times a year (or more frequently as circumstances dictate)

The current members of the Work Health and Safety Committee, their independence status and attendance at meetings is shown below.

The Managing Director and CEO and the General Manager People, Culture and Safety have standing invitations to attend all meetings.

### Work Health and Safety Policy

Elders commitment to establishing and maintaining a safe work environment is set out in our Work Health and Safety Policy (available on our [website](#)). We strongly believe that nothing done in the course of our business operations is so important that it cannot be done safely.

An effective safety culture is a critical and non-negotiable corporate objective. The Board and officers of Elders are committed to the continuous improvement of the integrated Work Health and Safety Management System, to meet our evolving business requirements and ensure a safe and healthy environment for employees, contractors, clients and visitors.

Elders maintains a Work Health and Safety Management System, inclusive of a comprehensive manual, supporting guidelines, policies and procedures. This system is measured against ISO 45001 and reflects the level of risk within which we operate and the requirements of work health and safety legislation. It is continually monitored and evaluated to ensure its suitability and effectiveness.

### Safety Steering Committee and Safety Action Teams

A Safety Steering Committee, comprised of Executive Committee Members, meets quarterly pursuant to a formal charter to consider matters relevant to Elders' safety strategy and to review and consider reports from management regarding safety matters.

The Board Work Health and Safety Committee receives a summary of the minutes of each Safety Steering Committee meeting.

At a local level, Elders maintains a number of Safety Action Teams that are responsible for identifying and actioning safety issues in their areas of operation. These Safety Action Teams report significant risks to the Safety Steering Committee.

#### Work Health and Safety Committee Meeting Attendance and Independence Status

Committee Member	Meetings Held	Meetings Attended	Independence Status
I Wilton (Chair)	2	2	Independent
R Clubb	2	2	Independent
D Eilert	2	2	Independent
M Quinn	2	2	Independent
R Murphy	2	1	Independent

