



The Environmental Group Limited

Notice is given that the Annual General Meeting (AGM) of shareholders of The Environmental Group Limited ABN 89 000 013 427 (the *Company*) will be held at the offices of The Environmental Group Limited, Suite 1.01, Level 1, 10 Ferntree Place, Ferntree Place Business Park, Notting Hill, Victoria Australia, on Thursday, 22 November 2018, commencing at 11:00am (Victorian time).

A. CONSIDERATION OF REPORTS

To receive and consider the Financial Report, the Directors' Report and the Independent Audit Report of the Company for the financial year ended 30 June 2018.

Unless the Company's Share Registry has been notified otherwise, shareholders will not be sent a hard copy of the Annual Report. All shareholders can view the Annual Report, which contains the Financial Report for the year ended 30 June 2018 on the website of the Company (<http://www.environmental.com.au>), under Investors/ASX Announcements.

B. QUESTIONS AND COMMENTS

Following the consideration of reports, the Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chairman will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Independent Audit Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Audit Report or the conduct of the audit. A list of written questions, if any, submitted by shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the AGM.

C. ITEMS FOR APPROVAL

1. Remuneration Report

To consider and, if thought fit, to pass the following resolution as an advisory resolution of the Company:

"That, the Company's Remuneration Report for the financial year ended 30 June 2018 (set out in the Directors' Report) be adopted."

Note: In accordance with section 250R of the Corporations Act 2001 (Cth), the vote on this resolution will be advisory only.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 1:

- a) by or on behalf of a member of the 'key management personnel'¹ (KMP) whose remuneration is included in the Remuneration Report;
- b) by or on behalf of a closely related party² (such as close family members and any controlled companies) of a member of KMP whose remuneration is included in the Remuneration Report; or
- c) as a proxy of any of the above.

¹ 'key management personnel' has the meaning as defined in Section 9 of the *Corporations Act* 2001.

² closely related party has the meaning as defined in Section 9 of the *Corporations Act* 2001.

However, the Company need not disregard a vote cast on Resolution 1 if it is cast as a proxy for a person who is entitled to vote;

- in accordance with the directions (For, Against or Abstain) on the proxy appointment; or
- it is cast by the person chairing the meeting, and;
 - the proxy appointment does not specify how the proxy is to vote; and,
 - the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

2. Election of Directors

Re-election of Ms Lynn Richardson

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

“That Lynn Richardson, who was appointed as a Director of the Company in accordance with clause 19.3(f) of the Company’s Constitution, retires in accordance with clause 19.3(a) of the Company’s Constitution, and having offered herself for re-election and being eligible, is hereby re-elected as a Director of the Company.”

By order of the Board



Andrew Bush
Company Secretary
15 October 2018

ENTITLEMENT TO ATTEND AND VOTE

In accordance with Reg 7.11.37 of the Corporations Regulations 2001, the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm (Victorian time) on Tuesday 20 November 2018 will be entitled to attend and vote at the AGM as a shareholder.

If more than one joint holder of shares is present at the AGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Voting by Proxy

If you are a shareholder entitled to attend and vote at the AGM, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act 2001 to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company. A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the share registry of the Company no later than 11.00am (Victorian time) on Tuesday 20 November 2018. Proxies must be received before that time by one of the following methods:

ONLINE	www.votingonline.com.au/eglagm2018
BY MAIL	Share Registry – Boardroom Pty Limited GPO Box 3993 Sydney NSW 2001 Australia
BY FAX	+ 61 2 9290 9655
IN PERSON	Share Registry – Boardroom Pty Limited Level 12, 225 George Street Sydney NSW 2000

To be valid, a proxy must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Voting by Attorney

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 11.00am (Victorian time) on Tuesday 20 November 2018 being 48 hours before the AGM.

Corporate Representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act 2001. The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as the company's representative.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of shareholders of the Company (**Shareholders**) in relation to the business to be conducted at the Company's 2018 Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions. The Directors recommend that Shareholders read this Explanatory Statement before determining whether or not to support the resolutions.

All resolutions are ordinary resolutions. An ordinary resolution requires a simple majority of votes cast by shareholders entitled to vote on the resolution. Resolution 1 is an advisory resolution and requires a simple majority of votes cast by shareholders entitled to vote on the resolution. Subject to the Corporations Act 2001, Resolution 1 is advisory only and does not bind the Directors or the Company.

RESOLUTION 1: REMUNERATION REPORT

Section 250R(2) of the Corporations Act 2001 requires the shareholders to vote on an advisory resolution that the Remuneration Report (the Report) be adopted.

The Report details the remuneration policy for the Company and reports the remuneration arrangements for Key Management Personnel (identified for the purposes of the Accounting Standards) and other EGL employees. The Report is available from page 20 in the Company's Annual Report which can be viewed on the Company website (<http://www.environmental.com.au>), under Investors/ASX Announcements.

The Chairman will give shareholders a reasonable opportunity to ask questions about or make comments on the Report.

The Directors unanimously recommend Shareholders vote in favour of this advisory resolution.

RESOLUTION 2: Re-election of Ms Lynn Richardson

Appointed to the Board initially as a Non-Executive Director on 22 May 2015. Ms Richardson was appointed as Non-Executive Chairman on 23 November 2017.

A graduate of the Australian Institute of Company Directors, Lynn holds an MBA from the Australian Graduate School of Entrepreneurship along with qualifications in professional accounting and educational research.

Lynn brings a unique blend of business and academic expertise in the entrepreneurial arena. A varied 20-year career is complemented with Lynn's passion for continuous improvement, which defines her approach to business leadership.

Lynn is also a director of Sustain: The Australian Food Network. She has previously held educational and industry board positions, affording her a range of industry contexts to draw from. Prior to her current position as EGL Chairman, Lynn was a member of the Baltec IES executive committee where her significant strategic leadership contributed to the company's growth.

The Directors, with Ms Richardson abstaining, unanimously recommend that Shareholders vote in favour of this Resolution.