

# Appendix 4G

## Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Name of entity

Donaco International Limited

ABN/ARBN

28 007 424 777

Financial year ended:

30 June 2020

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

- ☐ These pages of our annual report:
- ☒ This URL on our website: <http://www.donacointernational.com>

The Corporate Governance Statement is accurate and up to date as at *[insert effective date of statement]* 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: 30 October 2020

Name of authorised officer authorising lodgement: Marika White, Company Secretary

<sup>1</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

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

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

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

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

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

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

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

**ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES**

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

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

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

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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

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

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

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Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
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: <i>In our Corporate Governance Statement and Annual Report</i> and, where applicable, the information referred to in paragraph (b) at: ..... <i>[insert location]</i> and the length of service of each director at: <i>In our Corporate Governance Statement and Annual Report</i>	<input type="checkbox"/> set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values at: <i>In Our Directors Code of Conduct</i> <a href="http://www.donacointernational.com">http://www.donacointernational.com</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: <a href="http://www.donacointernational.com">http://www.donacointernational.com</a>	<input type="checkbox"/> set out in our Corporate Governance Statement

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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="http://www.donacointernational.com">http://www.donacointernational.com</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: <a href="http://www.donacointernational.com">http://www.donacointernational.com</a>	<input type="checkbox"/> set out in our Corporate Governance Statement

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<b>PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:  <a href="http://www.donacointernational.com">http://www.donacointernational.com</a></p> <p>and the information referred to in paragraphs (4) and (5) at:  <i>In our Corporate Governance Statement and Annual Report</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner at:</p> <p>.....  <i>[insert location]</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
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"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
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"/>	<input type="checkbox"/> set out in our Corporate Governance Statement



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

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<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="http://www.donacointernational.com">http://www.donacointernational.com</a></p> <p>and the information referred to in paragraphs (4) and (5) at: <i>In our Corporate Governance Statement and Annual Report</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at:</p> <p><i>In our Corporate Governance Statement</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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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"/> <i>[If the entity complies with paragraph (a):]</i> and we have disclosed how our internal audit function is structured and what role it performs at: <i>In our Corporate Governance Statement</i>  <i>[If the entity complies with paragraph (b):]</i> and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes at: ..... <i>[insert location]</i>	<input type="checkbox"/> set out 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: <i>In our Corporate Governance Statement and Annual Report</i>  and, if we do, how we manage or intend to manage those risks at: ..... <i>[insert location]</i>	<input type="checkbox"/> set out in our Corporate Governance Statement

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<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at:</p> <p><a href="http://www.donacointernational.com">http://www.donacointernational.com</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p><input type="checkbox"/></p> <p>and we have disclosed our policy on this issue or a summary of it at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p><input type="checkbox"/></p> <p>and we have disclosed the terms governing our remuneration as manager of the entity at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

## DONACO INTERNATIONAL LIMITED

### CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement (**Statement**) outlines the main corporate governance practices currently in place for Donaco International Limited (**Company** or **Donaco**).

The Board believes that good corporate governance helps ensure the future success of the Company, adds value to stakeholders and enhances investor confidence.

The Company has considered and addressed the 4<sup>th</sup> Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Fourth Edition**) and adopted those principles to the extent it considers appropriate and outlined reasons why the Company doesn't comply, where relevant.

This report is approved by the Board as at 28 October 2020 and all references to the Company's website are to [www.donacointernational.com](http://www.donacointernational.com).

This statement should be read in conjunction with the material on our website and the 2020 Annual Report.

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**Principle 1 - Lay solid foundations for management and oversight: a listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.**

<b>Recommendation</b>	<b>Adopted</b>	<b>Reason</b>
Recommendation 1.1	Yes	<p>The Company has adopted and disclosed its Board Charter.</p> <p>The Board Charter sets out the specific responsibilities of the Board, and those matters delegated to management.</p>
Recommendation 1.2	Yes	<p>The Company has established a Nominations, Remuneration and Corporate Governance Committee which oversees the process of undertaking appropriate checks before appointing a director or senior executives or putting someone forward for election as a director.</p> <p>These checks are undertaken pursuant to clause 4.1(c) of the Nominations, Remuneration and Corporate Governance Committee Charter. All material relevant information is provided to shareholders.</p> <p>Due to the recent changes to the composition of the Board, all matters in respect of nomination and remuneration are currently being addressed at a board level.</p>
Recommendation 1.3	Yes	<p>Each director has a formal letter of appointment setting out their roles, responsibilities, basis of remuneration and other terms of their appointment.</p>

Recommendation 1.4	Yes	The Company Secretary is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board.
Recommendation 1.5	Yes	<p>The Company has adopted a Diversity Policy and is committed to workplace diversity. The Policy is disclosed on the Company's website.</p> <p>The Company has one of the most ethnically and culturally diverse Boards on the ASX, with many of the directors having been born, educated, and currently residing in Asia.</p> <p>Further, of the Company's 2,235 staff members (as at 30 June 2020), only 1 is based in Australia, and all its customers are located outside Australia. This leads to a very high level of ethnic and cultural diversity.</p> <p>The proportions of men and women are as follows: Board, 100% men 0% women; in senior executive positions, 66% men 34% women; and across the whole organisation, 39% men 61% women.</p> <p>"Senior executives" are defined for this purpose as the Chief Executive Officer (CEO), the direct reports to the CEO, and their direct reports.</p>
Recommendation 1.6	Yes	<p>The Company's Nominations, Remuneration and Corporate Governance Committee Charter sets out the process for evaluating the performance of the Board.</p> <p>No formal evaluation was undertaken during FY20.</p>
Recommendation 1.7	Yes	<p>The Company's Nominations, Remuneration and Corporate Governance Committee Charter sets out the process for evaluating the performance of senior executives.</p> <p>No formal evaluation was undertaken during FY20.</p>

**Principle 2 - Structure the board to be effective and add value: The board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.**

The Board strives to ensure it is comprised of directors with a blend of skills, experience and attributes appropriate for the Company and its business.

The Company undertakes comprehensive reference checks prior to appointing a director or putting a person forward as a candidate. This ensures the candidate is competent, experienced and would in no way impair their ability to undertake their duty as a director.

The Company has disclosed the full details of directors in the 2020 Directors' Report.



Name	Director Since	Independent	Executive/Non-Executive
Paul Porntat Amatavivadhana (Chairman)	2020	✓	Non-Executive
Stuart James McGregor*	2004	✓	Non-Executive
Benedict Paul Reichel*	2007		Executive
Joey Lim Keong Yew**	2013		Executive
Benjamin Lim Keong Hoe**	2013	✓	Non-Executive
David John Green*	2019	✓	Non-Executive
Yugo Kinoshita*	2019	✓	Non-Executive
Simon Vertullo***	2019	✓	Non-Executive
Norman Mel Ashton***	2019	✓	Non-Executive
Roderick John Sutton	2019	✓	Non-Executive
Leo Chan	2019	<input checked="" type="checkbox"/>	Executive
Kurkye Wong	2019	<input checked="" type="checkbox"/>	Executive
Lee Bug Huy (aka Techatut Sukcharoenkraisri)	2020	<input checked="" type="checkbox"/>	Executive
Issaraya Intrapaiboon	2020	✓	Non-Executive
Andrew Guy Phillips	2020	✓	Non-Executive

\*resigned 29/11/2019

\*\*resigned 18/07/2019

\*\*\*resigned 02/09/2020

Recommendation	Adopted	Reason
Recommendation 2.1	No	<p>The Company has established a Nominations, Remuneration and Corporate Governance Committee and adopted a charter.</p> <p>Due to the recent changes to the composition of the Board, all matters in respect of nomination and remuneration are currently being addressed at a board level.</p>
Recommendation 2.2	No	<p>The Board considers that it currently has an appropriate mix of skills and experience as required for its effective functioning.</p> <p>In addition, the Board is one of the most ethnically and culturally diverse Boards on the ASX, with 50% of its members from Asia.</p> <p>This mix of skills and diversity gives the Board direct knowledge and expertise of the communities in which we</p>

		<p>operate. This assists with the review of operations and setting the strategy for serving our customers and helps to identify the executive skills required to implement the strategy.</p> <p>Due to recent changes to the Board, the skills matrix will be reviewed and updated in FY21.</p>
Recommendation 2.3	Yes	<p>The Company's Board Charter, specifically clauses 5 and 6, sets out the policy regarding independent directors.</p> <p>The names of the independent directors, and the length of service of each director are disclosed in the Annual Report.</p> <p>Following recent changes to the Board's composition, the Board currently comprises four non-independent non-executive directors, and three executive directors.</p>
Recommendation 2.4	Yes	<p>The Board currently consists of seven directors, comprising:</p> <ul style="list-style-type: none"> <li>• four independent non-executive directors; and</li> <li>• three executive directors.</li> </ul> <p>Accordingly, independent directors comprise the largest grouping on the Board.</p> <p>Current directors are considered to possess skills and experience suitable and appropriate in the context of the stage of development of the Company and the scope and scale of the Company's operations.</p> <p>Current directors are appropriately informed (given their expertise and current and former roles), and incentivised (as shareholders or the representatives of major shareholders). Under the "stewardship" theory, this suggests that the Board is better placed to make corporate financial and investment decisions, as directors are better informed about the current and future prospects of the Company because of their "closeness" to operations.</p>
Recommendation 2.5	Yes	<p>The Chairman is considered independent and is not the same person as the CEO.</p>
Recommendation 2.6	Yes	<p>An induction pack and appropriate briefings are provided to all new directors. Professional development opportunities are provided as appropriate.</p>

**Principle 3 - Instil a culture of acting lawfully, ethically and responsibly: A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.**

The Company is an Australian company, therefore falling under the jurisdiction of the

Corporations Act. All directors are required to act ethically and responsibly at law.

Recommendation	Adopted	Reason
Recommendation 3.1	Yes	The Company has implemented several policies and procedures which are available on the Company website.
Recommendation 3.2	Yes	<p>The Company has implemented several policies and procedures including the Company's Board Charter, Directors' Code of Conduct and Anti-Bribery and Corruption Policy.</p> <p>Together, these maintain confidence in the Company's integrity, take into account the Company's legal obligations, and govern the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.</p>
Recommendation 3.3	Yes	<p>The Board has adopted a Whistleblower Policy.</p> <p>All reports are investigated by the Board and overseen by the Chairman.</p>
Recommendation 3.4	Yes	<p>The Board has adopted an Anti-Bribery and Corruption Policy.</p> <p>The Anti-Bribery and Corruption Policy demonstrates that the Company is committed to maintain high standards of integrity and accountability in conducting its business. The Policy provides a framework of guidelines and principals to encourage ethical behaviour in the conduct of business.</p> <p>The Policy will be reviewed during FY21.</p> <p>Material incidents of bribery or corruption are reported to the Board.</p>

**Principle 4 - Safeguard the integrity of corporate reports: A listed entity should have appropriate processes to verify the integrity of its corporate reports.**

All ASX listed entities are required by the Listing Rules to report on various matters. The manner and form of reporting is governed by the ASX. All directors are obliged to make declarations as to their obligations in relation to reporting amongst other things. The external auditor provides annual reporting to the Board.

Recommendation	Adopted	Reason
Recommendation 4.1	Yes	<p>The Company has established the Audit and Risk Management Committee, which:</p> <ul style="list-style-type: none"> <li>• has three members, who are named in the Annual Report;</li> <li>• all members are independent non-executive directors;</li> <li>• is chaired by an independent chair;</li> <li>• its charter is disclosed on the Company website; and</li> </ul>

		<ul style="list-style-type: none"> <li>the number of meetings of the Committee and the attendance by each member is disclosed in the Annual Report.</li> </ul>
Recommendation 4.2	Yes	The CEO and Chief Financial Officer (CFO) provide a written declaration pursuant to S295A of the Corporations Act for half and full year reports.
Recommendation 4.3	Yes	<p>The Company's external auditors attend the Annual General Meeting and are available to answer questions from shareholders.</p> <p>Any periodic corporate report the Company releases to the market that is not audited or reviewed by an external auditor is reviewed and approved by the Board.</p>

**Principle 5 - Make timely and balanced disclosure: A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.**

The Company is committed to providing timely, complete and accurate disclosure of information to allow a fair, and well-informed market in its securities and compliance with the continuous disclosure requirements imposed by law including the Corporations Act and the ASX Listing Rules.

Recommendation	Adopted	Reason
Recommendation 5.1	Yes	<p>The Company has implemented a Directors' Code of Conduct, Market Disclosure Policy, Directors' Disclosure Policy and Policy for Handling Conflicts of Interest, which are designed to ensure compliance with the ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for compliance and disclosure.</p> <p>The Board is committed to the promotion of investor confidence by ensuring that trading in the Company's securities takes place in an efficient, competitive and informed market and in compliance with our Securities Trading Policy and Guidelines. In accordance with continuous disclosure requirements under the ASX Listing Rules, the Company has procedures in place to ensure that all price sensitive information is identified and disclosed to the market in a timely manner.</p> <p>The Company website includes a link to all information disclosed to the ASX and the above Policies.</p>
Recommendation 5.2	Yes	<p>The Company has designated the CEO and CFO as "Disclosure Officers".</p> <p>Disclosure Officers have responsibility for reviewing proposed disclosures and making decisions in relation to what information can or should be disclosed to the market. The Board receives copies of all material market</p>

		announcements promptly after they have been made.
Recommendation 5.3	Yes	The Company's Market Disclosure Policy provides that any investor or analyst presentations be released to the ASX Markets Announcements Platform ahead of the presentation.

**Principle 6 - Respect the rights of security holders: A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.**

Being a listed entity provides all security holders with a medium for access to all appropriate information. The services of the Company Secretary also ensure security holders have at all times direct contact with the Company.

The Company recognises the value of providing current, relevant and objective information to its security holders. The Company is committed to communicating effectively with security holders, through releases to the market via the ASX and General meetings.

Recommendation	Adopted	Reason
Recommendation 6.1	Yes	All ASX releases, press releases and the Company's Corporate Governance Policies are published on the Company's website under the Investor Relations tab.
Recommendation 6.2	Yes	<p>The Company has implemented a Market Disclosure Policy which ensures that there is full and timely disclosure of the Company's activities to shareholders.</p> <p>The Company also conducts regular investor briefings on scheduled results announcement dates, and at other times throughout the year. These briefings are released in advance to the ASX Market Announcements Platform if they contain any price-sensitive information.</p>
Recommendation 6.3	Yes	<p>Security holders are informed of their rights and encouraged to participate at meetings of security holders.</p> <p>At other times, questions received by email or telephone are answered as appropriate, in the light of the Company's market disclosure obligations.</p>
Recommendation 6.4	Yes	The Company ensures that all substantive resolutions at a meeting of security holders are decided by poll rather than by a show of hands.
Recommendation 6.5	Yes	<p>The Company's share registry facilitates electronic communications with shareholders and information on the Company and its governance is provided via the Company's website, which is updated regularly.</p> <p>Transcripts of the Chair/CEO presentation and results of the meeting are posted to the ASX and on the Company's website.</p>

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**Principle 7 - Recognise and manage risk: A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.**

<b>Recommendation</b>	<b>Adopted</b>	<b>Reason</b>
Recommendation 7.1	Yes	<p>The Company has established the Audit and Risk Management Committee, which:</p> <ul style="list-style-type: none"> <li>• has three members, who are named in the Annual Report;</li> <li>• all members are independent non-executive directors;</li> <li>• is chaired by an independent chair;</li> <li>• its charter is disclosed on the Company website; and</li> <li>• the number of meetings of the Committee and the attendance by each member is disclosed in the Annual Report.</li> </ul>
Recommendation 7.2	Yes	<p>The Audit and Risk Management Committee reports to the Board in respect of material business risks and their management.</p> <p>The Company has also implemented the Audit and Risk Management Committee Charter, which governs the operation of the Audit and Risk Management Committee.</p> <p>In addition, pursuant to clause 4 of the Company's Board Charter, the Board must ensure that it is provided with a written statement from the CEO and CFO in relation to the Company's risk management systems and controls, stating that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.</p>
Recommendation 7.3	Yes	<p>An internal audit function consisting of one employee was established as part of the Company's risk management function for the FY16 financial year onwards.</p> <p>The internal auditor is based out of the Company's office in Cambodia and is focused on alignment of standard operating procedures with internal controls.</p>
Recommendation 7.4	Yes	The Company discloses the material risks affecting its businesses in the Annual Report.

**Principle 8 - Remunerate fairly and responsibly: A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.**

<b>Recommendation</b>	<b>Adopted</b>	<b>Reason</b>
Recommendation 8.1	No	<p>The Company has established a Nominations, Remuneration and Corporate Governance Committee and adopted a charter.</p> <p>Due to the recent changes to the composition of the Board, all matters in respect of nomination and remuneration are currently being addressed at a board level.</p>
Recommendation 8.2	Yes	<p>The Nominations, Remuneration and Corporate Governance Committee is responsible for determining and reviewing remuneration policies for the directors and senior executives.</p> <p>Remuneration of non-executive directors comply with ASX Listing Rules, including that:</p> <ul style="list-style-type: none"> <li>• fees payable to non-executive directors must be by way of a fixed sum, and not by way of commission on or a percentage of profits or operating revenue;</li> <li>• the remuneration payable to executive directors must not include a commission on or percentage of operating revenue; and</li> <li>• the total fees payable to directors must not be increased without the prior approval of members in a general meeting.</li> </ul> <p>The remuneration of all directors and senior executives is disclosed in the Annual Report.</p>
Recommendation 8.3	No	<p>The Company will develop such a policy if appropriate in the context of the current equity-based remuneration scheme. Since the scheme involves the purchase of shares on market by an employee share trust, there is little need for such a policy</p> <p>The Company has adopted a Securities Trading Policy and Guidelines.</p>