



Monday 16 November 2020

Corporate Governance Statement and Appendix 4G

Attached is a copy of Elders Limited's (ASX:ELD) Corporate Governance Statement and completed Appendix 4G.

Further Information:

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Company Secretary
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Authorised by:

Peter Hastings
Company Secretary

2020 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

In FY20, 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), 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 current as at 16 November 2020.

Governance Framework

The Elders Governance Framework is summarised below and discussed further in this statement.



The entities represented in this chart consider matters arising through the consolidated group. Information regarding subsidiary Board meetings is included in Section 4.

1. Solid Foundations for Management and Oversight

The Board Charter

Board Responsibilities and Delegations

The Elders Board of Directors (Board) has adopted a Board 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 Board is ultimately responsible for the governance of Elders. Its key responsibilities include:

- taking a leadership role
- approving the statement of values and code of conduct
- setting the standards of Elders' culture and ensuring that the culture reflects Elders' values
- collaboratively formulating, with management, the Company's strategic direction
- overseeing management's implementation of strategy and performance of the Company generally
- overseeing the audit, compliance and resilience (including risk management) policies, frameworks and functions
- setting the risk appetite within which it expects management to operate
- satisfying itself that remuneration policies are aligned with the Company's purpose, values, strategic objectives and risk appetite
- approving the half year and full year financial statements
- overseeing the financial reporting to ASX, ASIC and shareholders
- approving the annual operating budget and monitoring performance against that budget
- approving and monitoring the progress of all material acquisitions, divestments, contracts and capital expenditure
- approving capital raisings (debt or equity), capital reductions, buy-backs and other material corporate actions
- considering and making dividend determinations
- monitoring shareholder-relations and overseeing communication to Elders' shareholders and the investment community
- overseeing the process for making timely and balanced disclosure of all material information
- setting measurable diversity objectives for the Board and workforce
- overseeing employee-relations and ethical, social and environmental behaviour by Elders
- appointing and removing the Chief Executive and determining that person's remuneration (including termination benefits)
- reviewing the performance of the Board as a whole, its Committees and individual Directors
- monitoring and assessing the performance of the Chief Executive and executive team
- whenever required, challenging management and holding it to account
- satisfying itself that an appropriate framework exists for relevant information to be reported by management to the Board
- monitoring the effectiveness of the governance framework
- complying with the legal requirements of being a Director

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

Day to day management of Elders is delegated to the Chief Executive Officer, who may also delegate various functions to other employees. The Board monitors the CEO's performance on an ongoing basis and Elders has comprehensive Delegations of Authority, that are reviewed annually, under which the CEO and executive management operate. Senior executives are responsible for implementing Elders' strategic plan to achieve objectives and both instilling and reinforcing its values, ensuring operation remains within those values, the code of conduct, strategy, budget and risk appetite.

Board Composition

The composition of the Board is determined by the needs of Elders and its Constitution, which is reflected in the Board Charter. The composition of the Board ensures that:

- the Board has at least three, and not more than eight, Directors
- the majority of Directors are independent Non-Executive Directors
- the Chair is an independent Director
- Directors are financially literate and, together, have an appropriate mix and depth of skills, experience and knowledge

The Board is currently comprised of, four Non-Executive Directors and the Managing Director (who is also the CEO). The qualifications, experience, special responsibilities and period of office of each Director can be found on pages 76 and 77 of the 2020 Elders Annual Report and the Directors skills matrix is in Section 2 of this Corporate Governance Statement.

Appointment and Re-Election of Directors

The composition of the Board is reviewed on an as needs basis and at least annually, coinciding with the Annual General Meeting (AGM) cycle to ensure that the Board has the appropriate mix of expertise and experience.

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 the Elders Constitution, which is available on our [website](#).

In accordance with the Board Charter, 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.

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 General Meeting. This includes biographical details, qualifications, experience, skills and other material Directorships. The notices also include statements as to whether the Board considers candidates to be independent Directors (Director Independence is discussed in Section 2) 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 most suitable candidate, who must stand for election 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 position is required to provide a Fit and Proper Attestation.

Elders verifies each attestation 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 key management personnel (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 risks associated with appointing and employing people who may not be fit and proper.

The complete policy is available on Elders' [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

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.

In accordance with Elders' Constitution, Company Secretaries are appointed by the Board. Elders also has an Assistant Company Secretary to serve the Board and the Board's Committees on occasion when the need arises or during a leave of absence. This ensures that the Board is appropriately supported in governance and administration matters at all times.

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 and facilitating the induction and professional development of Directors

Diversity Policy

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

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

Elders recognises that diversity and inclusion incorporate significantly more than gender, however given the significant gap of female representation in leadership positions across the agricultural industry in general, redressing gender imbalance is currently the key focus for Elders' diversity program. A Key Performance Indicator for Elders Executive is to contribute to an increase in the number of women in management positions.

Over the last 12 months we have continued to review our strategies and goals towards gender diversity with sourcing and retaining key female talent a critical focus, particularly in management positions.

Achievement against our Board approved measurable diversity objectives as at 30 September 2020 is shown below.

		Actual Sept 17	Actual Sept 18	Actual Sept 19	Actual Sept 20
Measurable Objective 1	Increase the representation of women in management positions* across the organisation to 25% by 30 September 2021	10%	12%	13%	15%
Measurable Objective 2	Maintain the pipeline of female team leaders above 25%	28%	30%	31%	36%
Measurable Objective 3	Increase the representation of women Non-Executive Director roles to 40% or more by 30 September 2021	25%	40%	50%	50%

* Management positions are defined as all Functional and People Leaders across the business excluding those defined as Team Leaders who are the subject of measurable objective 2.

The Workplace Gender Equality Agency also annually provides a report on Elders Limited and includes relative numbers of men and women at each level of management. A copy of this report is made available on the Elders' [website](#).

Additionally, following the annual remuneration review process, management are provided with a report on pay equity for men and women at each level of seniority.

Key Insights

- Currently the total representation of women in management positions is 15%. From 10% of women in management roles in FY17, to 15% in FY20 shows steady progress towards achievement of the FY21 target.
- There has continued to be a strong representation of women in team leader roles with this percentage continuing to trend upwards to 36%, well exceeding the target in the objective. To support this objective our graduate and trainee intakes continue to build the capability, experience and confidence of women in the business and supporting their career progression.
- Elders is currently exceeding the target representation of women in Non-Executive Director roles with 50% female Non-Executive Directors.

Moving Forward

To support achievement of these measurable diversity objectives, Elders continues to focus on supporting mechanisms which enable a diverse workforce including:

- ensuring equal training and development opportunities are provided to women
- ensuring women are equally represented in talent and succession planning processes
- highlighting examples of women successfully performing management roles as role models and mentors
- focusing on competency-based recruitment and selection processes to remove unconscious bias
- actively tracking the conversion of female candidates to appointment and retention in role
- providing various flexible work arrangements
- ensuring gender pay equity continues across the organisation

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 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 Remuneration Report on pages 95 to 98 of the 2020 Annual Report.

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 following table outlines the method used for performance reviews over the past four years.

	2017	2018	2019	2020
Review method	External advisor	Internal review	Internal review	External advisor

The Nomination and Prudential Committee is responsible for ensuring the outcomes of these reviews are addressed appropriately.

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

As noted above, the Managing Director and CEO's performance is assessed by the Non-Executive Directors. 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 FY20 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 95 to 98 of the 2020 Annual Report.

2. Board Structure for Value and Effectiveness

Board Meetings

There were 16 Board meetings during the financial year and an additional three informal Board briefings held to navigate changes to the business and its operating environment arising from COVID-19. The attendance of Directors at formal meetings is set out in the Directors' Report on page 86 of the 2020 Elders Annual Report. All Directors attended all of the informal Board briefing sessions.

Where Directors are unable to attend meetings either in person or by telephone (e.g. if they are unwell) the Chair or the 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.

The Chair sets the agenda for each meeting, 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, Human Resources, Finance, Business Development, Business Improvement, Strategy, 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 the respective committee charter available on our [website](#) and are 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. They are generally 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 signed by the Chair at the subsequent Committee meeting. 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, experience and commitment to adequately discharge its responsibilities and duties and add value to Elders and its shareholders
- that has a proper understanding of, and competence to deal with, the 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 the Elders [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
- obtain annual approval of its Charter from the Board

The current members of the Nominations and Prudential Committee, their independence status and attendance at meetings are shown below.

Committee Member	No. of meetings held during relevant period	No. of meetings attended during relevant period	Independence Status
I Wilton (Chair)	6	6	Independent
M Allison	6	6	Executive
R Clubb	6	5*	Independent
D Eilert	6	6	Independent
M Quinn	3	3	Independent

Note: Michael Carroll resigned 2 July 2020. He attended 4 of 4 meetings during the relevant period.

** For personal reasons and with the permission of the Chair, Ms Clubb submitted an apology for 1 meeting. Ms Clubb provided the Chair with commentary on the business being considered at the meeting, which was raised at the meeting by the Chair.*

The Nomination and Prudential Committee is responsible for regularly reviewing and making recommendations to the Board on:

- the necessary and desirable competencies of members of the Board and its committees, including the appropriate mix of skills, experience, expertise, diversity, other qualities and the time commitment required from a Non-Executive Director, taking into account emerging business and governance issues
- assessing and reviewing the independence of Directors
- setting the fitness and propriety regime for Directors and other officers
- ensuring appropriate processes for reviewing the performance of the Board, its Committees and each Director, and addressing the outcomes of those reviews
- developing appropriate policies with respect to the maximum period of service for Directors
- determining appropriate succession plans for the Board and CEO (a separate Chair is appointed when the Committee considers a successor to the Chair)
- ensuring the size of the Board is appropriate so as to encourage effective and efficient decision-making
- appointing and removing Directors (including re-appointment in the case of Directors retiring by rotation), and associated disclosures to shareholders
- determining the terms of appointment of Non-Executive Directors
- 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
- maintaining appropriate induction procedures designed to allow new Directors to participate fully and actively in Board decision-making at the earliest opportunity
- providing appropriate disclosures on the matters that are the subject of the Charter

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 he/she has enough time to devote to his/her 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

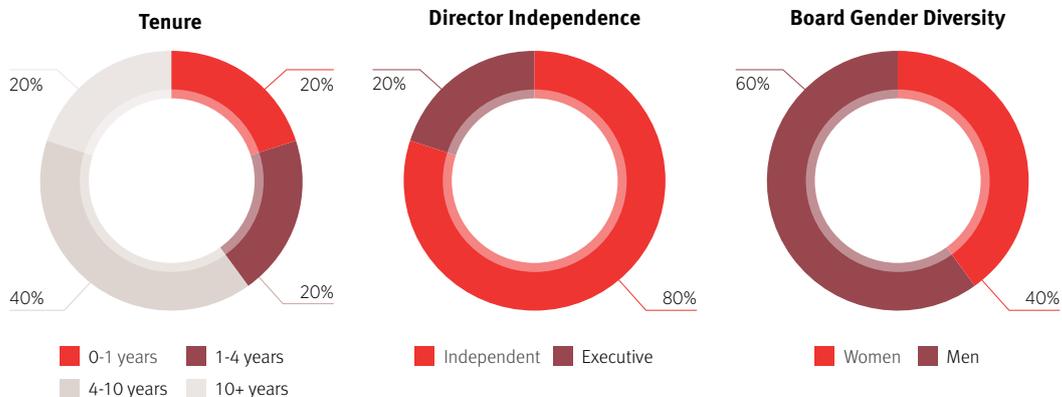
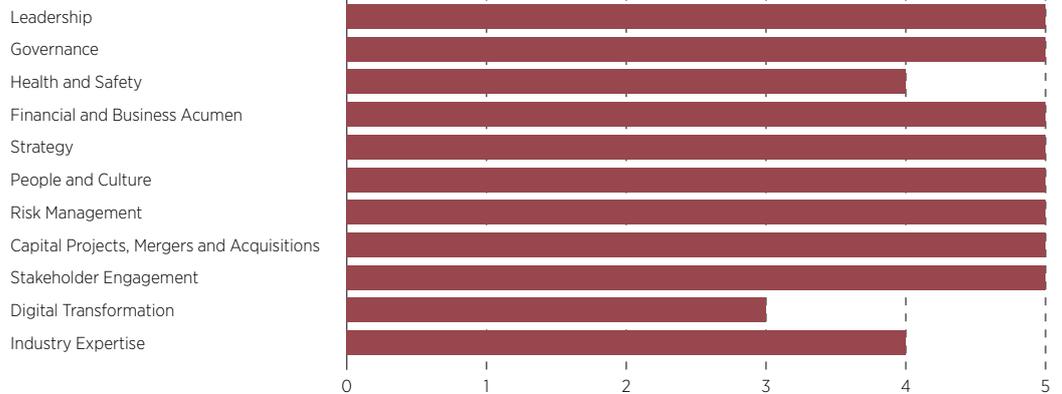
Skills, Knowledge and Experience

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 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.

Skill	Relevant Experience
Leadership	Experience as a Senior Executive, Board member and Chair of a Board or Board Committee.
Governance	Developing, implementing and monitoring the effectiveness of corporate governance frameworks.
Health and Safety	Implementing and monitoring systems and processes that have led to improved organisational safety outcomes and safety culture.
Financial and Business Acumen	Experience with financial accounting and reporting, budgeting and corporate asset management.
Strategy	Defining strategic objectives, setting plans aligned to those objectives and overseeing strategy implementation to ensure successful outcomes.
People and Culture	Building workforce capability, including developing succession and remuneration plans that retain a high calibre, diverse workforce aligned with company purpose, values, and strategic objectives.
Risk Management	Overseeing risk mitigation strategies; developing and maintaining audit, compliance, resilience and risk management policies, frameworks and controls.
Capital Projects, Mergers and Acquisitions	Experience with large-scale capital projects, raising capital, mergers and acquisitions and other corporate actions.
Stakeholder Engagement	Managing fiduciary, environmental, health, safety and social obligations; communicating with stakeholders; and connections with local communities within which Elders operates.
Digital Transformation	Recent experience and expertise setting and overseeing the implementation of complex technological strategies and realisation of growth and competitive advantage from the development, selection and implementation of business transforming technology.
Industry Expertise	Successful experience with and understanding of economic drivers and markets for one or more key business units.

Skills Possessed by the Directors



■ 0-1 years ■ 1-4 years
■ 4-10 years ■ 10+ years

■ Independent ■ Executive

■ Women ■ Men

Director Independence

The Elders' Constitution and Board Charter both require that a majority of the Board must be independent Directors. In determining whether a Director is considered 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.

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, but 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.

The Nomination and Prudential Committee assesses and makes a recommendation to the Board regarding the independence of each new Director appointed to the Board and each Director seeking election or re-election to the Board by shareholders. In addition, each Non-Executive Director makes an annual self-declaration of independence.

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 the Board to function effectively.

The current Board members and their independence status are shown below.

Board Members	Independence Status
I Wilton (Chair)	Independent
M Allison (Managing Director and CEO)	Executive
R Clubb	Independent
D Eilert	Independent
M Quinn	Independent

The Independent Chair

The Board Charter stipulates that the Chair of the Board must be an independent Director. Ian Wilton has been the independent Chair since 11 September 2019.

The Board Charter outlines the responsibilities of the Chair, which 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, each Elders' Director serves on boards of other entities. The boards on which each Director serves are disclosed in the biographies of the Directors appearing on pages 76 to 77 of our 2020 Annual Report.

Both of these circumstances can give rise, from time to time, to actual, potential or perceived conflicts of interest 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. This can also lead to an actual, potential or perceived conflict of interest

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 FY20, no interests were material to Elders and were limited to the acquisition of goods or services from, or the supply of services to, Elders or the provision of sponsorship by 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.

Directors undertake training and development on an "as needs" basis. They 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 the Board aims to have at least one meeting a year that includes a tour of an Elders' operation.

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 and to connect with Elders' customers and other industry professionals. The FY20 Board meeting schedule was disrupted by COVID-19, which prevented travel, however the Board intends to resume its travel schedule once COVID-19 restrictions have further eased.

3. Lawful, Ethical and Responsible Culture

One Elders Values

Elders' core values 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. 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.

Our One Elders Values are:



The Board is responsible for ongoing monitoring of 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
- whistleblower 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 has adopted a Code of Conduct that details acceptable standards and the behaviour and responsibilities expected of Elders and Elders People. Elders People means all Directors, Employees, Agents, Contractors and Consultants, regardless of seniority, of or to a company in the Elders Group. A copy of the Code is available on our [website](#).

The Code exists to ensure that all Elders People 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.

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.

The Code of Conduct is reviewed periodically to ensure it remains appropriate to the business' needs.

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 staff, contractors, visitors and customers.

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.

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 and associated reporting process address the issues associated with alleged improper conduct including reporting, responsibility, confidentiality and effective investigation. In February 2020, the policy was refined to ensure alignment with ASIC guidance.

The policy, available on our [website](#), outlines how to make a report, who reports can be made to, how reports are investigated and the protections afforded to those making reports.

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 throughout the business and from various aspects.

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. These policies are aimed at eliminating bribery, corruption and fraud and stipulate that the giving or receipt of improper benefits in connection with Elders business is unacceptable and encourage reporting under the Whistleblower Policy.

Copies of both the Anti-Fraud Policy and the Anti-Bribery and Corruption Policy are 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 objectives to ensure 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)

A copy of the Committee's Charter is available on our [website](#).

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

Committee Member	No. of meetings held during relevant period	No. of meetings attended during relevant period	Independence Status
R Clubb (Chair)	5	5	Independent
I Wilton	5	5	Independent
D Eilert	5	5	Independent
M Quinn	4	4	Independent

Note: Michael Carroll resigned 2 July 2020. He attended 4 out of 4 meetings during the relevant period.

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.

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
- Mr Quinn, an independent Director who joined the Committee on 20 February 2020, is a Chartered Accountant

Details of the members' qualifications can also be found on pages 76 to 77 of the 2020 Elders Annual Report.

While ultimate responsibility still rests with the Board, the role of the Audit, Risk and Compliance Committee in relation to audit matters includes:

- reviewing the effectiveness of financial reporting and internal control policies and Elders' procedures for identification, assessment, reporting and managing financial risks
- 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)
- recommending to the Board the appointment and retirement of the Company's external auditors, 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 auditors 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 auditors
- reviewing the consistency and application of the Company's accounting policies and significant judgements exercised by management in the preparation of the financial statements

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 appropriate recording of net deferred tax assets, the adoption of the financial statements and dividends.

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

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.

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 audit independence
- details the internal procedures implemented to ensure the independence of auditors
- establishes a framework that enables the Audit, Risk and Compliance Committee to evaluate compliance with the policy and report to the Board on compliance

A copy of the Board-approved Non-Audit Services Policy is available on our [website](#).

CEO and CFO Certification of Financial Statements

In connection with the financial reports of the Company for the financial year ended 30 September 2020, 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 and CFO prior to Board approval of the half year financial statements.

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, and their associated appendices. A summary of the other relevant reports and the body responsible for reviewing and approving each of them is shown below.

Periodic Report	Management Reviewed	Auditor Read	Reviewed By	Approved By
Directors' Report	✓	✓	Board	Board
Operating and Financial Review	✓	✓	BARCC	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	✓	✓	BARCC	Board

Where financial information is used in periodic reports, this information is matched against the audited financial statements. Additionally, many of the reports shown above, such as the Directors Report, OFR and Investor Presentation, although not formally audited are also read by the external auditor prior to release to the market. This includes all other components of the Annual Report.

Elders' principle operating subsidiaries hold regular board meetings, of which the CEO and CFO both attend. Significant outcomes are reported back to the Elders Limited 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 line with continuous disclosure obligations, and effective communication strategies such that there is a fair and informed market for Elders' securities.

Key issues addressed under this Policy include:

- disclosure of market sensitive information to ASX in the first instance. This aims to ensure timely and equal release of information that facilitates the decision-making of an informed market
- the importance of accurate, balanced and clear market announcements
- the roles and responsibilities of all Elders people, including the Directors, CEO, CFO, and Company Secretary
- the procedures followed to review and authorise market announcements, including the maintenance and proper functioning of the Elders Disclosure Committee
- safeguarding of confidential corporate information and avoidance of premature disclosure, including measures such as communication "blackout" periods and use of trading halts
- identifying and, to the extent possible, ensuring stakeholders are able to access information issued externally by Elders. This includes a broad range of media, including Elders' website, audio, audio-visual or slide webcasts of Elders' AGM and full year and half year results briefings
- procedures to manage investor and analyst meetings in order to avoid disclosure issues arising from these meetings
- ensuring ASX is provided with any information required to respond to a false market or perception of a false market

The External Disclosure and Market Communications Policy is reviewed once every two years. Full details can be found on our [website](#).

Board Receipt of Market Announcements

In line with the External Disclosure and Market Communications Policy, Elders ensures that the Board receives copies of all market announcements promptly after they are made.

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'. Where Elders gives a new and substantive investor or analyst presentation, the presentation materials are released on the ASX Market Announcement Platform ahead of the presentation. 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.

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 its 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.

For environmental and efficiency reasons, Elders encourages shareholders to receive shareholder communications electronically. 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 the Company, 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 with investors where feasible.

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.

In 2019, Elders re-initiated engagement with proxy advisors. Engagement meetings are held several times throughout the year and bring together representatives of proxy advisors, the Elders Chair, Remuneration and Human Resources Committee Chair and Company Secretary and General Counsel. The aim of these meetings is to solicit feedback to improve our understanding of investor views of the Company 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 takes 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 on our website, with a copy made available on the Company website after the event.

Beginning in 2019, Elders shareholders using the online direct voting facility have been given the option to submit questions to the Board. This means that all shareholders have the option to submit written questions, even if they are unable to attend the AGM in person.

Elders' 2020 Virtual AGM

For the first time, Elders' 2020 AGM will be held as a virtual AGM, due to the ongoing coronavirus pandemic. Shareholders, proxyholders and guests can view the AGM live, ask questions and cast live votes during the meeting. Further information about the 2020 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 practicable after the close of the meeting.

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.

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 they aid risk identification, assessment, monitoring and management.

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

- reviewing the effectiveness of Elders' compliance programme, including the design, implementation and management of the compliance framework
- oversight of the process for reporting unacceptable conduct (see also Section 3)
- receiving compliance reports from management
- reviewing the resilience framework, including assessment of the management information systems to ensure they are appropriately efficient and effective
- recommending to the Board policies and procedures for risk oversight
- assessing management's performance against the risk management framework, including whether it is operating within agreed risk tolerances
- reviewing and assessing the adequacy of control systems
- reviewing the corporate insurance programme

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

In FY20, in line with its commitment to review risk governance annually, the Audit, Risk and Compliance Committee reviewed the Resilience Policy and Framework. The comprehensive reviews completed each year include understanding and monitoring the effect of uncertainties on Elders' strategic objectives, assessing management reports on the effectiveness of incident, risk management and business resilience planning and ensuring the effective use of relevant internal control systems.

The Resilience Policy (available on our [website](#)) and Framework assist Elders to achieve its risk management objectives, including:

- ensuring Elders' assets are protected against financial loss
- business risks are identified and properly managed
- legal and regulatory obligations are satisfied
- material business risks are reported up to and monitored by the Board

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

The CEO and Executive Committee are responsible for applying the Resilience Framework and are accountable to the Board for designing, implementing and monitoring processes for incident and risk management and business resilience planning and integrating these 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 internal audit function operates under a charter and has 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 operates under a co-sourced arrangement with KPMG.

The internal audit plan is aligned to Elders' risk profile and approved by the Board Audit, Risk and Compliance Committee annually, with a three-year horizon. Coverage includes six key components, including functional audits focussing on a business process or unit, product plans focussing on an individual process or element of a product, branch audits, quarterly reviews focussing on key processes (complementary to the product plans and branch audit), Australian Financial Services License compliance and health check reviews of the functional audits completed in prior years. The results, corresponding management actions and responses arising from these audit activities are reported to the Audit, Risk and Compliance Committee.

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.

Financial Risk Management Policy

The Company 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 is provided with reports on compliance with the Policy, including on an immediate basis in the case of material breaches. The Policy is reviewed 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



Exposure to Material Economic, Environmental and Social Sustainability Risks

Details of Elders material business risks and how these are managed are provided on pages 20 to 21 of the 2020 Annual Report. Information about our sustainability initiatives are also provided on pages 32 to 73 of the Annual Report.

8. Fair and Responsible Remuneration

Remuneration and Human Resources Committee

The 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' human resources 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)

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

Committee Member	No. of meetings held during relevant period	No. of meetings attended during relevant period	Independence Status
D Eilert (Chair)	5	5	Independent
I Wilton	5	5	Independent
R Clubb	5	5	Independent
M Quinn	3	3	Independent

Note: Michael Carroll resigned 2 July 2020. He attended 4 of 4 meetings during the year.

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.

The Committee's responsibilities include reviewing and making recommendations to the Board regarding:

- appropriate policies and practices for remuneration arrangements for the CEO, Executive Management, the Company's employees generally and the Board itself
- employee share, options and rights schemes and other performance incentive programs
- superannuation arrangements
- human resources strategies, policies and procedures, including recruitment, retention, retirement and termination policies
- Executive Management succession planning
- policies regarding the workplace behaviour that Elders expects of its employees and Directors
- indicators of workplace culture
- policies concerning diversity and the equal treatment of all employees

A full list of the Committee's responsibilities is detailed in the Committee Charter, which is available on our [website](#).

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 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.

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

A summary of Elders' remuneration policies and practices is set out in the Remuneration Report commencing on page 88 of the 2020 Annual Report.

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.

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 Directors' Report in 2020 Annual Report, on page 107.

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 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 an independent 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.

Committee Member	No. of meetings held during relevant period	No. of meetings attended during relevant period	Independence Status
I Wilton (Chair)	2	2	Independent
R Clubb	2	1*	Independent
D Eilert	2	2	Independent
M Quinn	2	2	Independent

Note: Michael Carroll resigned 2 July 2020. He attended 2 of 2 meetings during the year.

** For personal reasons and with the permission of the Chair, Ms Clubb submitted an apology for 1 committee meeting. Ms Clubb provided the Chair with commentary on the business being considered at the meeting, which was raised at the meeting by the Chair.*

The Managing Director and CEO and the Head of 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 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.

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 2020

Our corporate governance statement for the period above can be found at:

- 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 *16 November 2020* and has been approved by the board.

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

Date: 16 November 2020

Name of authorised officer authorising lodgement: Peter Hastings

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, we have followed the recommendation in full for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT		
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: https://investors.elderslimited.com/investor-centre/?page=corporate-governance
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: https://investors.elderslimited.com/investor-centre/?page=corporate-governance and we have disclosed the information referred to in paragraph (c) at: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders 2020 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.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders 2020 Corporate Governance Statement)</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders 2020 Corporate Governance Statement)</p>
<p>1.7 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: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 Corporate Governance Statement)</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Details of the performance evaluation are included in the Remuneration Report, on pages 95 to 98 of Elders Annual Report)</p>
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE	
<p>2.1 The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, <p>and disclose:</p> <ol style="list-style-type: none"> (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 <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: https://investors.elderslimited.com/investor-centre/?page=corporate-governance and the information referred to in paragraphs (4) and (5) at: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 Corporate Governance Statement)</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:
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.	<input checked="" type="checkbox"/> and we have disclosed our board skills matrix at: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 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: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 Corporate Governance Statement) and, where applicable, the information referred to in paragraph (b) at: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 Corporate Governance Statement) and the length of service of each director at: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 Annual Report, pages 76 to 77)
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"/>
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY		
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values at: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 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: https://investors.elderslimited.com/investor-centre/?page=corporate-governance

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:
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: https://investors.elderslimited.com/investor-centre/?page=corporate-governance
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: https://investors.elderslimited.com/investor-centre/?page=corporate-governance
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS		
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: https://investors.elderslimited.com/investor-centre/?page=corporate-governance and the information referred to in paragraphs (4) and (5) at: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 Corporate Governance Statement. Further detail regarding the qualifications and experience of the members of the committee can be found on pages 76 to 77 of Elders' 2020 Annual Report)
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"/>
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE		
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: https://investors.elderslimited.com/investor-centre/?page=corporate-governance
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"/>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, we have followed the recommendation in full for the whole of the period above. We have disclosed this 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"/>
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS		
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: https://investors.elderslimited.com/investor-centre/
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>
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: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 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"/>
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"/>
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK		
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: https://investors.elderslimited.com/investor-centre/?page=corporate-governance and the information referred to in paragraphs (4) and (5) at: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 Corporate Governance Statement)

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:
<p>7.2 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>https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 Corporate Governance Statement)</p>
<p>7.3 A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed how our internal audit function is structured and what role it performs at:</p> <p>https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 Corporate Governance Statement)</p>
<p>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.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether we have any material exposure to environmental and social risks at:</p> <p>https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 Annual Report, pages 20 to 21)</p> <p>and, if we do, how we manage or intend to manage those risks at:</p> <p>https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 Annual Report, pages 20 to 21)</p> <p>Further disclosures are also made in Elders' 2020 Sustainability Report, which can be found on pages 32 to 73 of Elders' Annual Report.</p>
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY	
<p>8.1 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,</p> <p>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 checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>https://investors.elderslimited.com/investor-centre/?page=corporate-governance and the information referred to in paragraphs (4) and (5) at:</p> <p>https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 Corporate Governance Statement)</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, we have followed the recommendation in full for the whole of the period above. We have disclosed this in our 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: https://investors.elderslimited.com/investor-centre/?page=annual-reports (Elders' 2020 Annual Report, pages 88 to 107)
8.3	A listed entity which has an equity-based remuneration scheme should: (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 (b) disclose that policy or a summary of it.	<input checked="" type="checkbox"/> and we have disclosed our policy on this issue or a summary of it at: https://investors.elderslimited.com/investor-centre/?page=corporate-governance
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES		
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
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
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES		
-	<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.	Not Applicable
-	<i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	Not Applicable