

**ANGEL SEAFOOD HOLDINGS LTD**

**ACN 615 035 366**

**(Company)**

**2018 CORPORATE GOVERNANCE STATEMENT**

This Corporate Governance Statement discloses the extent to which the Company follows the recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations (3<sup>rd</sup> Edition) (**Recommendations**). The Recommendations are not mandatory, however the Recommendations that will not be followed in full have been identified and reasons provided for not following them along with what (if any) alternative governance practices the Company has adopted in lieu of the Recommendation. This is in line with the disclosures at the time of initial listing on the ASX, together with further details of actual practice and any amendments during the period from listing to the end of the financial year. This Corporate Governance Statement should be read in conjunction with the 2018 Annual Report which is available at [www.angelseafood.com.au/investors](http://www.angelseafood.com.au/investors).

The Company has adopted a Corporate Governance Plan which provides the terms of reference for the Company's corporate governance duties. This is available on the Company's website at [www.angelseafood.com.au/investors](http://www.angelseafood.com.au/investors).

Recommendations	Comply	Explanation
<b>Principle 1: Lay solid foundations for management and oversight</b>		
Recommendation 1.1 A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Yes	<p>The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair and management and includes a description of those matters expressly reserved to the Board and those delegated to management.</p> <p>The Board Charter sets out the specific responsibilities of the Board, requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors' access to Company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy.</p> <p>A copy of the Company's Board Charter, which is part of the Company's Corporate Governance Plan, is available on the Company's website. See <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a></p>

Recommendations	Comply	Explanation
<p>Recommendation 1.2</p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.</p>	Yes	<p>The Company has guidelines for the appointment and selection of members of the Board in its Corporate Governance Plan. The Company's Nomination Committee Charter (in the Company's Corporate Governance Plan) requires the Nomination Committee (or, in its absence, the Board) to ensure appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate)) are undertaken before appointing a person, or putting forward to security holders a candidate for election, as a Director. These detailed checks were undertaken as part of the due diligence process before appointment of Directors at the time of initial ASX listing.</p> <p>The whole Board is currently undertaking the responsibilities of the Nomination Committee (see also section 2.1 below), including in relation to considering candidates for re-election or election at the 2018 Annual General Meeting.</p> <p>Under the Nomination Committee Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director. This information was provided in the Replacement Prospectus dated 13 December 2017 for the Initial Public Offering (IPO) in respect of the Directors to be appointed at the time of initial ASX listing or continuing their appointments. The information required has also been included in the Notice of Meeting for the 2018 Annual General Meeting.</p>
<p>Recommendation 1.3</p> <p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	Yes	<p>The Company's Nomination Committee Charter requires the Nomination Committee (or, in its absence, the Board) to ensure that each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment. The Company has written agreements with each of its Directors and senior executives.</p>
<p>Recommendation 1.4</p> <p>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.</p>	Yes	<p>The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.</p>

Recommendations	Comply	Explanation																
<p>Recommendation 1.5</p> <p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity’s progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period:</p> <p>a. the measurable objectives for achieving gender diversity set by the board in accordance with the entity’s diversity policy and its progress towards achieving them; and</p> <p>b. either:</p> <p>i. the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined “senior executive” for these purposes); or</p> <p>ii. if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in the Workplace Gender Equality Act.</p>	Partially	<p>The Company has adopted a Diversity Policy which reflects the Company’s commitment to realising the benefits that flow from fostering a balanced and diverse workforce – one which embraces differences in age, gender, culture and physical ability.</p> <p>The Diversity Policy allows the Board to set measurable gender diversity objectives, if considered appropriate, and to assess annually both the objectives if any have been set and the Company’s progress in achieving them.</p> <p>The Diversity Policy is available, as part of the Corporate Governance Plan, on the Company’s website at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>.</p> <p>The Board does not presently intend to set measurable gender diversity objectives because:</p> <p>(a) the Company is in the very early stages of its growth and the establishment now of fixed gender targets would introduce rigidity and complication to the process of identifying appointees based on skill and merit; and</p> <p>(b) historically the industry has not attracted a significant proportion of women, so the Board wants to firstly analyse and consider the female participation rate, and second, understand the drivers for increased female representation at various levels of seniority before committing to measurable objectives for gender diversity.</p> <p>The Board intends to review the need for measurable objectives on an annual basis to take into account the Company’s growth, the historical gender mix, and changes in community and industry perceptions.</p> <p>The respective proportions of men and women in the Company as at 30 June 2018 were as follows:</p> <table><tr><th></th><th>Male</th><th>Female</th><th>Total number</th></tr><tr><td>Non-executive Directors</td><td>100%</td><td>0%</td><td>3</td></tr><tr><td>Senior Executives</td><td>100%</td><td>0%</td><td>1</td></tr><tr><td>Other staff</td><td>73.7%</td><td>26.3%</td><td>19</td></tr></table>		Male	Female	Total number	Non-executive Directors	100%	0%	3	Senior Executives	100%	0%	1	Other staff	73.7%	26.3%	19
	Male	Female	Total number															
Non-executive Directors	100%	0%	3															
Senior Executives	100%	0%	1															
Other staff	73.7%	26.3%	19															

Recommendations	Comply	Explanation
		<p>For the purposes of the table above, ‘Senior Executives’ is defined as the CEO, who is also an executive director. This reflects the key management personnel (KMP) as described in the annual financial report, which were the non-executive Directors and CEO only.</p> <p>The ‘other staff’ numbers above represent personnel headcount, including part-time and casual staff as at 30 June 2018 engaged either as employees or contractors, in management and team positions in both operational and corporate positions. Of this number, 28% of personnel in management or professional roles are female.</p> <p>The Company is not a “relevant employer” under the Workplace Gender Equality Act because it has less than 100 employees.</p>
<p><b>Recommendation 1.6</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Yes	<p>The Company’s Remuneration and Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Board, its committees and individual Directors on an annual basis. It may do so with the aid of an independent advisor. The process for this is set out in the Company’s Corporate Governance Plan, which is available on the Company’s website at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>.</p> <p>The Company’s Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the Board, its committees (if any) and individual Directors for each financial year in accordance with the above process. Due to the short period between initial ASX listing and the end of financial year, it is intended that formal evaluations of the Board and its Committees will be conducted in late 2018 or early 2019. In the interim, a continuous improvement process has been undertaken and changes to process have been implemented as a result of regular informal evaluations of learnings to date, forward work plans, effectiveness and performance. The Chairman and Board will consider preliminary performance evaluations of individual non-executive Directors as part of the process for determining recommendations to shareholders for Director re-elections at the AGM.</p>

Recommendations	Comply	Explanation
<p>Recommendation 1.7</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Yes	<p>The Company's Remuneration and Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance and remuneration of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a non-executive Director. The applicable processes for these evaluations can be found in the Company's Corporate Governance Plan, which is available on the Company's website at <a href="http://www.angelseafood.com.au">www.angelseafood.com.au</a>.</p> <p>The Company's Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. A performance evaluation for the Chief Executive Officer (CEO) was undertaken by the Board in respect of the CEO's performance in the period to 30 June 2018 and in relation to the first Short-term Incentive key performance indicator, which was due for completion by 30 September 2018. Further details are contained in the Remuneration Report section of the Directors' Report forming part of the 2018 financial statements. A copy is available on the Company's website at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>.</p>

Recommendations	Comply	Explanation
<b>Principle 2: Structure the Board to add value</b>		
<p>Recommendation 2.1</p> <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ol style="list-style-type: none"> <li>has at least three members, a majority of whom are independent directors; and</li> <li>is chaired by an independent director, and disclose:</li> <li>the charter of the committee;</li> <li>the members of the committee; and</li> <li>as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ol> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.</p>	Yes	<p>The Board has determined that the function of the Remuneration and Nomination Committee is most efficiently carried out with full board participation and accordingly, the Company has elected not to establish a separate Remuneration and Nomination Committee at this stage.</p> <p>As a result, the duties that would ordinarily be assigned to the Remuneration and Nomination Committee under the Remuneration and Nomination Committee Charter are carried out by the full board.</p> <p>A copy of the Remuneration and Nomination Committee Charter is available in the Corporate Governance Plan on the Company's website at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>.</p> <p>The Board devotes time at board meetings to discuss Board succession issues. All members of the Board are involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.</p>
<p>Recommendation 2.2</p> <p>A listed entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	Yes	<p>The Board skills matrix is set out in the Company's Corporate Governance Plan (see <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>) and shows that the Board of the Company comprises directors with a broad range of complementary technical, commercial, financial and other skills, experience and knowledge relevant to overseeing the business, risk management and governance of the company. The Board was refreshed at the time of initial ASX listing, to ensure an appropriate mix of skills and experience to guide the next stage of the Company's development as a listed entity.</p> <p>The Board skills matrix will be reviewed on at least an annual basis as a tool to assess the appropriate balance of skills, experience, independence and knowledge necessary for the Board to discharge its duties and responsibilities effectively.</p>

Recommendations	Comply	Explanation
<p>Recommendation 2.3</p> <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director</p>	Yes	<p>The Board Charter requires the disclosure of the names of Directors considered by the Board to be independent. The Board considers both Tim Goldsmith and Ashley Roff to be independent. Isaac Halman, Chief Executive Officer (CEO) is not considered to be an independent director due to his executive role on the Board and due to the fact he has been a substantial shareholder of the Company following the Company's admission to the Official List of the ASX. Michael Porter was not considered to be an independent director in the financial year ended 30 June 2018 due to his previous executive role on the Board.</p> <p>The Audit and Risk Committee and Board considered the independence of Directors in detail during the reporting period.</p> <p>The Board has re-assessed the independence status of Michael Porter and considers him to be independent in and from the 2018/19 financial year. The Board recognises that Mr Porter's executive role in the 2017/18 financial year principally related to preparing the company for its initial IPO, rather than managing the business of the Company, and accordingly that it would be unnecessarily rigid to confer a longer moratorium on his independence status.</p> <p>Details of the independence status of Directors and their length of service are included in the Directors' Report in the 2018 Annual Report (see <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>).</p>
<p>Recommendation 2.4</p> <p>A majority of the board of a listed entity should be independent directors.</p>	Yes	<p>The Company's Board Charter requires that, where practical, the majority of the Board should be independent.</p> <p>During the period from initial ASX listing until the end of the financial year at 30 June 2018, the Board comprised a total of 4 directors, two of whom were considered to be independent, including the Chairman who has a casting vote. Following re-assessment of the independence status of Michael Porter effective from July 2018, the Board comprises a total of 4 directors, 3 of whom, including the Chairman, are considered by the Board to be independent, non-executive Directors.</p>

Recommendations	Comply	Explanation
<p>Recommendation 2.5</p> <p>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.</p>	Yes	<p>The Board Charter provides that where practical, the Chairman of the Board will be a non-executive director. The Chairman, Tim Goldsmith is an independent non-executive director and is not the CEO of the Company.</p>
<p>Recommendation 2.6</p> <p>A listed entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively</p>	Yes	<p>The Company's program for the induction of new directors is tailored to each new Director depending on their personal requirements, background skills, qualifications and experience and includes the provision of a formal letter of appointment and an induction pack containing sufficient information to allow the new Director to gain an understanding of the business of the Company and the roles, duties and responsibilities of Directors. Each new director appointed at the time of ASX listing was briefed extensively by management &amp; existing Directors. This included field visits and the provision of documentation in relation to policies and strategic plans.</p> <p>All Directors are encouraged to undergo continual professional development and, subject to prior approval by the Chairman, all Directors have access to numerous resources and professional development training to address any skills gaps.</p> <p>In addition, opportunities to develop the skills and experience of individual board members are considered as part of the Company's annual board performance review process.</p>
<b>Principle 3: Act ethically and responsibly</b>		
<p>Recommendation 3.1</p> <p>A listed entity should:</p> <p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	Yes	<p>The Company has a Corporate Code of Conduct that applies to its Directors, employees and contractors.</p> <p>The Company's Corporate Code of Conduct is available in the Corporate Governance Plan on the Company's website at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>.</p>



Recommendations	Comply	Explanation
<b>Principle 4: Safeguard integrity in financial reporting</b>		
<p>Recommendation 4.1</p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ol style="list-style-type: none"> <li>has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>is chaired by an independent director, who is not the chair of the board</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>the charter of the committee;</li> <li>the relevant qualifications and experience of the members of the committee; and</li> <li>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</li> </ol> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	Yes	<p>The Board has a designated and separate Audit and Risk Committee.</p> <p>The Company's Audit and Risk Committee has three members, all of whom are independent, non-executive Directors. The Committee is chaired by a Director who is not the Chair of the Board and is independent.</p> <p>Members of the Committee are: Ashley Roff (Chairman), Michael Porter and Tim Goldsmith.</p> <p>The Audit and Risk Committee Charter is included in the Corporate Governance Plan available on the Company's website at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>. Qualifications and experience of Committee members are included in the Directors' Report in the Company's 2018 Annual Report, available on the Company's website at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>.</p> <p>The Audit and Risk Committee will meet at least three times per year in accordance with its Charter. Details of the number of meetings and attendance of members are included in the Directors' Report in the Company's 2018 Annual Report, available on the Company's website at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>. In the financial year ended 30 June 2018, one meeting of the Committee was held in the period since listing on the ASX in February 2018. In the period since the end of the financial year to the date of this report, 3 meetings have been held.</p>

Recommendations	Comply	Explanation
<p>Recommendation 4.2</p> <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	Yes	<p>The Company's Audit and Risk Committee is responsible for ensuring that, before the Board approves the Company's interim and annual financial reports, the Company has received from its CEO and person fulfilling the role of CFO, for the financial statements for each period including quarterly, half-yearly and full year, a declaration that the financial records of the Company have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>
<p>Recommendation 4.3</p> <p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	Yes	<p>For each AGM following admission to the Official List of ASX, the Company will ensure its external auditor attends the AGM (in person or by telephone) and is available to answer questions from security holders relevant to the audit.</p> <p>The external auditor attended the Company's 2017 AGM, prior to ASX listing of the Company.</p>
<b>Principle 5: Make timely and balanced disclosure</b>		
<p>Recommendation 5.1</p> <p>A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the ASX listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	<p>The Company has adopted a Continuous Disclosure Policy which details the processes and procedures which have been adopted by the Company to ensure that it complies with its continuous disclosure obligations as required under the ASX Listing Rules and other relevant legislation.</p> <p>The Continuous Disclosure Policy, included in the Corporate Governance Plan, is available on the Company's website at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>.</p>

Recommendations	Comply	Explanation
<b>Principle 6: Respect the rights of security holders</b>		
<p>Recommendation 6.1</p> <p>A listed entity should provide information about itself and its governance to investors via its website.</p>	Yes	Shareholders can access information about the Company and its governance (including its Constitution and adopted governance policies) from the Company's website on the "Corporate Governance" page at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>
<p>Recommendation 6.2</p> <p>A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors</p>	Yes	<p>The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders.</p> <p>A copy of the Company's Shareholder Communications Strategy policy is included in the Corporate Governance Plan which is available on the Company's website at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>.</p>
<p>Recommendation 6.3</p> <p>A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</p>	Yes	<p>Shareholders have the option of electing to receive all shareholder communications by e-mail and can update their communication preferences with the Company's registrar at any time.</p> <p>The Shareholder Communications Policy available in the Corporate Governance Plan at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a> confirms the Company's position that shareholders are actively encouraged to participate at all general meetings of the Company. Shareholders will be reminded at the time of dispatch of the Notice of Meeting for the 2018 Annual General Meeting that their participation is encouraged, including by appointment of a proxy if they are unable to attend a meeting in person. At the meeting, as indicated in the Explanatory Memorandum accompanying the Notice of Meeting, the Chairman will provide an appropriate opportunity for shareholders to ask questions and make comments.</p>

Recommendations	Comply	Explanation
<b>Principle 7: Recognise and manage risk</b>		
<p>Recommendation 7.1</p> <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> <li>has at least three members, a majority of whom are independent directors; and</li> <li>is chaired by an independent director,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>the charter of the committee;</li> <li>the members of the committee; and</li> <li>as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ol> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</p>	Yes	<p>The Board has a designated and separate Audit and Risk Committee.</p> <p>The Company's Audit and Risk Committee has three members, the majority of whom are independent non-executive Directors. The Committee is chaired by a Director who is not the Chair of the Board and is independent.</p> <p>Members of the Committee are: Ashley Roff (Chairman), Michael Porter and Tim Goldsmith.</p> <p>The Audit and Risk Committee Charter is available in the Corporate Governance Plan on the Company's website at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>. Qualifications and experience of Committee members are included in the Directors' Report in the Company's 2018 Annual Report, available on the Company's website at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>.</p> <p>In accordance with its Charter, the Audit and Risk Committee will meet at least three times per year. At each meeting, the Committee will fulfil the roles and responsibilities associated with overseeing risk and maintaining the Company's risk management framework. Details of the number of meetings and attendance of members are included in the Directors' Report in the Company's 2018 Annual Report, available on the Company's website at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>. In the financial year ended 30 June 2018, one meeting of the Committee was held in the period since listing on the ASX in February 2018. In the period since the end of the financial year to the date of this report, 3 meetings have been held.</p> <p>The Audit and Risk Committee Charter is available in the Corporate Governance Plan on the Company's website at <a href="http://www.angelseaood.com.au/investors">www.angelseaood.com.au/investors</a>.</p>

Recommendations	Comply	Explanation
<p>Recommendation 7.2</p> <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose in relation to each reporting period, whether such a review has taken place.</p>	Partially	<p>The Company's process for risk management and internal compliance includes a requirement to identify and measure risk, monitor the environment for emerging factors and trends that affect these risks, formulate risk management strategies and monitor the performance of risk management systems. The Company's Risk Management Policy (in the Corporate Governance Plan at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>) details the Company's disclosure requirements with respect to the review of the Company's risk management procedures and internal compliance and controls.</p> <p>The Company undertook an extensive risk identification process in the 2017/18 financial year to prepare for its IPO in February 2018. A summary of this work is recorded in the Company's IPO Prospectus (see <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>). The Board has since then actively continued to monitor the Company's exposure to these risks at each Board meeting and Audit and Risk Committee meeting. Formal review and a substantial body of work on further development of the formal risk management framework (including measurement and mitigation strategies) to improve the maturity of the framework is scheduled for the 2018/19 financial year.</p>
<p>Recommendation 7.3</p> <p>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 risk management and internal control processes.</p>	Yes	<p>The Audit and Risk Committee is responsible for monitoring the need for a formal internal audit function. Due to the size and nature of the Company's operations, the Company does not consider it necessary to establish a formal internal audit function at this stage.</p> <p>The effectiveness of internal controls has to date been overseen by the external accounting firm responsible for the preparation of the Company's monthly management and statutory accounts. In addition the external Auditor reports to the Audit and Risk Committee on irregularities (if any observed) and recommends particular areas of focus and testing for the purposes of continuous improvement of each Audit. The CEO is required to report to the Board and the Audit and Risk Committee at each meeting on any known breaches of Company policy and procedures. The CEO and CFO are required for the Company's half year and annual accounts to assure the Board in writing that in their opinion the Company maintains a sound system of risk management and internal control which is operating effectively.</p>

Recommendations	Comply	Explanation
<p>Recommendation 7.4</p> <p>A listed entity should disclose whether, and if so how, it has regard to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	Yes	<p>The nature of its agribusiness operations, products, location, water tenure and future growth strategies expose the Company to a range of material economic, environmental and social sustainability risks.</p> <p>The Company's Risk Management Policy in the Corporate Governance Plan available at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a> details the Company's risk management systems which assist in identifying and managing these particular risks as an integral part of the risk management oversight and monitoring responsibilities outlined previously. Details of risks, including in these categories, are discussed in the Directors' Report in the 2018 Annual Report available at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>.</p>
<b>Principle 8: Remunerate fairly and responsibly</b>		
Recommendations	Comply	Explanation
<p>Recommendation 8.1</p> <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ul style="list-style-type: none"> <li>i. has at least three members, a majority of whom are independent directors; and</li> <li>ii. is chaired by an independent director</li> </ul> <p>and disclose:</p> <ul style="list-style-type: none"> <li>iii. the charter of the committee;</li> <li>iv. the members of the committee; and</li> <li>v. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <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>	Yes	<p>Due to its size, the Board has determined that the function of the Remuneration and Nomination Committee is most efficiently carried out with full board participation and accordingly, the Company has elected not to establish a separate Remuneration and Nomination Committee at this stage.</p> <p>As a result, the duties that would ordinarily be assigned to the Remuneration and Nomination Committee under the Remuneration and Nomination Committee Charter are carried out by the full board.</p> <p>The Remuneration and Nomination Committee Charter is available on the Company's website.</p> <p>The Board devotes time at Board meetings to discuss the performance of the Board and senior executives. Annually, the Board will consider a formal performance review of the Board and any senior executives as well as the level and composition of remuneration for Company directors and senior executives, in line with its Remuneration Policy.</p> <p>The Board considered performance and remuneration of both the Non-executive Directors and CEO in detail in the latter part of 2017 as part of the due diligence process of preparation of the Prospectus leading to initial ASX listing of the Company on 21 February 2018. Details of the new remuneration framework, effective from the date</p>

Recommendations	Comply	Explanation
		<p>of listing, were provided in the Prospectus. The Board anticipates that a performance evaluation and review of the remuneration framework will be undertaken in late 2018 or early 2019. A performance review of the CEO for the 2017/18 financial year has been completed.</p> <p>Further details of the remuneration policy, framework and reviews undertaken are included during the reporting period are included in the Remuneration Report forming part of the Directors' Report in the Annual Report, available at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>.</p>
<p><b>Recommendation 8.2</b></p> <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	Yes	<p>The Company's policies and practices regarding the remuneration of non-executive and executive directors and other senior employees are set out in its Remuneration and Nomination Committee Charter, a copy of which is available in the Corporate Governance Plan on the Company's website at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>. Details of policies and the remuneration framework are also provided in the Remuneration Report forming part of the Directors' Report in the Annual Report, also available at <a href="http://www.angelseafood.com.au/investors">www.angelseafood.com.au/investors</a>.</p>
<p><b>Recommendation 8.3</b></p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	<p>The Company's Remuneration and Nomination Committee (the function of which is currently performed by the full Board) is responsible for the review and approval of any equity-based remuneration schemes offered to Directors and employees of the Company. Further, in accordance with the Remuneration and Nomination Committee Charter, the Remuneration and Nomination Committee is also responsible for granting permission, on a case by case basis, for scheme participants to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the Scheme.</p> <p>As indicated above, the functions of the Remuneration and Nomination Committee are currently undertaken by the Board.</p> <p>The Company's policy in this regard is set out in the Company's Remuneration and Nomination Committee Charter, a copy of which is available in the Corporate Governance Plan on the Company's website at <a href="http://www.angelseafood.com.au">www.angelseafood.com.au</a>.</p>