

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Sirtex Medical Limited

ABN / ARBN:

35 078 166 122

Financial year ended:

30 June 2017

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>

- ☐ These pages of our annual report:
- ☒ This URL on our website: <http://www.sirtex.com/au/investors/company-overview/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 23 August 2017 and has been approved by the board.

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

Date: 23 August 2017

Name of Director or Secretary authorising lodgement: Darren Smith

<sup>1</sup> Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

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

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

<sup>2</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

<sup>3</sup> Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

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

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
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.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> at Board Charter <a href="http://www.sirtex.com/media/55756/board-charter.pdf">http://www.sirtex.com/media/55756/board-charter.pdf</a> ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input type="checkbox"/> at Board Charter <a href="http://www.sirtex.com/media/55756/board-charter.pdf">http://www.sirtex.com/media/55756/board-charter.pdf</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate 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.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> at Board Charter <a href="http://www.sirtex.com/media/55756/board-charter.pdf">http://www.sirtex.com/media/55756/board-charter.pdf</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> at Remuneration Report of Annual Report <a href="http://www.sirtex.com/au/investors/annual-reports/">http://www.sirtex.com/au/investors/annual-reports/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> at Board Charter <a href="http://www.sirtex.com/media/55756/board-charter.pdf">http://www.sirtex.com/media/55756/board-charter.pdf</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

<sup>4</sup> If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
1.5	<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 the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) 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>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.sirtex.com/media/55758/cpol014_sirtex_diversity_policy.pdf">http://www.sirtex.com/media/55758/cpol014_sirtex_diversity_policy.pdf</a></p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at Board Evaluation Policy <a href="http://www.sirtex.com/media/55765/board-evaluation-policy.pdf">http://www.sirtex.com/media/55765/board-evaluation-policy.pdf</a></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
1.7	<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>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at Senior Executives Evaluation Policy  <a href="http://www.sirtex.com/media/55769/senior-executives-evaluation.pdf">http://www.sirtex.com/media/55769/senior-executives-evaluation.pdf</a></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association 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, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> at Remuneration Report Annual Report <a href="http://www.sirtex.com/au/investors/annual-reports/">http://www.sirtex.com/au/investors/annual-reports/</a> ... and, where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i> ... and the length of service of each director: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> at <a href="http://www.sirtex.com/au/investors/company-overview/board-of-directors/">http://www.sirtex.com/au/investors/company-overview/board-of-directors/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	<p>... our code of conduct or a summary of it:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at Directors Code of Conduct  <a href="http://www.sirtex.com/media/55761/directors-code-of-conduct.pdf">http://www.sirtex.com/media/55761/directors-code-of-conduct.pdf</a>  and The Sirtex Code (Code of Conduct)  <a href="http://www.sirtex.com/media/55766/the_sirtex_code_february_2014.pdf">http://www.sirtex.com/media/55766/the_sirtex_code_february_2014.pdf</a></p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at Audit Committee Charter  <a href="http://www.sirtex.com/media/63950/audit-committee-charter-24-11-2015.pdf">http://www.sirtex.com/media/63950/audit-committee-charter-24-11-2015.pdf</a></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at Audit Committee Charter  <a href="http://www.sirtex.com/media/63950/audit-committee-charter-24-11-2015.pdf">http://www.sirtex.com/media/63950/audit-committee-charter-24-11-2015.pdf</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at Directors Report in Annual Report  <a href="http://www.sirtex.com/au/investors/annual-reports/">http://www.sirtex.com/au/investors/annual-reports/</a></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.2	<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, 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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>



Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
4.3	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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> at Corporate Communications and Continuous Disclosure Policy <a href="http://www.sirtex.com/media/55760/corporate-communications-continuous-disclosure-policy.pdf">http://www.sirtex.com/media/55760/corporate-communications-continuous-disclosure-policy.pdf</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at <a href="http://www.sirtex.com">www.sirtex.com</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> at <a href="http://www.sirtex.com/au/investors/investor-resources/investor-contacts/">http://www.sirtex.com/au/investors/investor-resources/investor-contacts/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at Risk, Health and Safety Committee Charter  <a href="http://www.sirtex.com/media/70434/risk-health-and-safety-committee-charter-12_2015-final.pdf">http://www.sirtex.com/media/70434/risk-health-and-safety-committee-charter-12_2015-final.pdf</a></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at Risk, Health and Safety Committee Charter  <a href="http://www.sirtex.com/media/70434/risk-health-and-safety-committee-charter-12_2015-final.pdf">http://www.sirtex.com/media/70434/risk-health-and-safety-committee-charter-12_2015-final.pdf</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at Directors Report in Annual Report  <a href="http://www.sirtex.com/au/investors/annual-reports/">http://www.sirtex.com/au/investors/annual-reports/</a></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.3	<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>	<p>[If the entity complies with paragraph (a):]</p> <p>... how our internal audit function is structured and what role it performs:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at Economic, Environmental and Social Sustainability Report <a href="http://www.sirtex.com/media/55762/economic-environmental-and-sustainability-report.pdf">http://www.sirtex.com/media/55762/economic-environmental-and-sustainability-report.pdf</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at Remuneration Committee Charter  <a href="http://www.sirtex.com/media/55768/remuneration-committee-charter.pdf">http://www.sirtex.com/media/55768/remuneration-committee-charter.pdf</a></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at Remuneration Committee Charter  <a href="http://www.sirtex.com/media/55768/remuneration-committee-charter.pdf">http://www.sirtex.com/media/55768/remuneration-committee-charter.pdf</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at Directors Report in Annual Report  <a href="http://www.sirtex.com/au/investors/annual-reports/">http://www.sirtex.com/au/investors/annual-reports/</a></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<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>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at Remuneration Report of Annual Report  <a href="http://www.sirtex.com/au/investors/annual-reports/">http://www.sirtex.com/au/investors/annual-reports/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at Remuneration Report of Annual Report <a href="http://www.sirtex.com/au/investors/annual-reports/">http://www.sirtex.com/au/investors/annual-reports/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

## Corporate Governance Statement

The Board is committed to achieving and demonstrating the highest standards of corporate governance. As such, Sirtex Medical Limited and its controlled entities (“the Group”) have adopted a corporate governance framework and practices to ensure they meet the interests of shareholders.

The Group complies with the Australian Securities Exchange Corporate Governance Principles and Recommendations 3<sup>rd</sup> Edition (the “ASX Principles”). This statement incorporates the disclosures required by the ASX Principles under the headings of the eight core principles. All of these practices, unless otherwise stated, were in place for the full reporting period.

This statement is current as at **23 August 2017**, and has been approved by the Board of Sirtex Medical Limited.

Further information about the Group’s corporate governance policies and practices can be found on Sirtex Medical Limited’s website at <http://www.sirtex.com/au/investors/corporate-governance-and-policies/>.

### PRINCIPLE 1:

#### LAY SOLID FOUNDATIONS FOR MANAGEMENT OVERSIGHT

##### **Roles and responsibilities of the Board and management**

The Board of Directors is responsible for the corporate governance of the Group and operates in accordance with the principles set out in its Charter. To ensure that the Board is well equipped to discharge its responsibilities, it has established guidelines for the nomination and selection of the Board. The Board Charter is reviewed annually and a copy is available on the website <http://www.sirtex.com/au/investors/company-overview/board-and-committee-charters/>.

The Board has delegated responsibilities for the management of operations and administration of the Company to the Chief Executive Officer and the executive management team. The Board ensures that the Chief Executive Officer and the executive management team are appropriately qualified and experienced to discharge their responsibilities and has in place procedures to monitor and assess their performance.

Each non-executive director has signed a formal letter of appointment and that letter outlines the key terms and conditions of their appointment. The executive director (CEO) and senior executives have service contracts.

To ensure that the responsibilities of the Board are upheld and executed to the highest level, the Board has established the following committees:

- Remuneration Committee
- Audit Committee
- Risk, Health and Safety Committee

The roles and responsibilities of these committees are discussed later in this statement. Each of these committees have established Charters and operating procedures in place, which are reviewed on a regular basis. The Charters are reviewed annually and are available on the website <http://www.sirtex.com/au/investors/company-overview/board-and-committee-charters/>.

### **Diversity Policy**

Diversity includes, but is not limited to gender, age, ethnicity and cultural background. The Company is committed to diversity and recognises the benefits arising from such diversity and the importance of benefiting from all available talent. It has implemented a Diversity policy, a copy of which is available on the Group's website under <http://www.sirtex.com/au/investors/corporate-governance-and-policies/>.

The Company recognises that promoting the role of women at all levels within the organisation, as well as facilitating other diversity initiatives, is important. Several programs have been developed and implemented to promote diversity in the workforce within the Group. Over time, these programs will improve diversity of the workforce.

The Group's approach to diversity and inclusion is based on the following objectives, being to:

- Provide updated online training to current and new staff on the Equal Employment Opportunity (EEO) and Workplace Behaviour, and Diversity, Policies. This includes Bullying and Harassment.
- Aim to include at least one female candidate in the short list of applicants for every management role. Target an increase in female participation across all levels of management from 37% to 40%.
- Introduce the career development program "*Growing with Sirtex*". Growing with Sirtex is a performance and career development program and key enabler for Sirtex to achieve this vision. It has been designed to foster a continuous cycle of planning, feedback and review to support and strengthen all employee performance and personal growth in line with Sirtex goals and its overall vision.
- Identify females who should participate in the Leadership and Management Development Program. Women should represent 35%- 40% of the participant population included in the program.
- Improve our approach to flexible working to make it more accessible and culturally acceptable for all employees.

We have a diverse workforce of 292 staff members located in over 20 countries across the globe and our percentage of female participation in the business has improved from the prior year. As at 30 June 2017, the percentage of females working within the Group was as follows:

	All Staff		Female		% Female	
	2017	2016	2017	2016	2017	2016
All roles	292	279	131	130	45%	47%
All Management	73	74	27	27	37%	36%
Senior Management*	22	26	4	3	18 %	11%
Board	6	5	1	1	17%	20%

\* For the current and previous reporting period, "senior management" means all executives reporting directly to the CEO and the managers reporting directly to the executives.

The Group has made the following progress towards achieving the measurable objectives:

Measurable Objective	Progress
Target an increase in female participation across all levels of management from 36% to 40% over three to five years.	The female participation rate at the management level was at 37% at 30 June 2016.
Introduce the career development program <i>Growing with Sirtex</i> . <i>Growing with Sirtex</i> is a performance and career development program and key enabler for Sirtex to achieve this vision. It has been designed to foster a continuous cycle of planning, feedback and review to support and strengthen all employee performance and personal growth in line with Sirtex goals and its overall vision.  As part of <i>Growing with Sirtex</i> , commence the rollout of Leadership and Management Development Training.  Identify females who should participate in the Leadership and Management Development Program. Women should represent 35%-40% of the participant population included in the program.	Growing with Sirtex launched FY16, with the rollout of the Professional Development Program that aims to educate managers on how to conduct performance and development appraisals.  Management and Leadership training as part of the Continuing Professional Development Programs have occurred in the Americas, EMEA and APAC.  All females in a management position have now commenced some form of training through the Growing with Sirtex Program.  50% of participants in FY17 on Leadership@Sirtex and Managing@Sirtex were females.
Provide updated online training to current and new staff on the EEO and Diversity Policy. This includes Bullying and Harassment.	The policy has been reviewed and updated to cater for our global business. Online training and face to face training for Senior Leaders will take place in the first half of FY18.

## Directors' Performance Evaluation

The Board oversees an assessment of individual Directors, Board committees, the Board's collective performance, on an annual basis. Details of the processes are available on the Group's website under <http://www.sirtex.com/au/investors/corporate-governance-and-policies/>.



The FY17 assessments were discussed openly by the Board. The Board acknowledges that it has been a difficult and challenging year for the Company and the Board. In response, the Board has reviewed its performance and processes and made improvements.

### **Senior Executive Performance Evaluation**

The Remuneration Committee reviews the performance of the Chief Executive Officer and the executive team on an annual basis. Performance is measured against a set of key performance indicators which have been established with reference to the Group's strategy and individual's responsibilities.

The Remuneration Committee annually reviews and determines the remuneration arrangements for the Chief Executive Officer and the executive team, submitting their recommendations to the Board for approval.

During the year, performance evaluations were performed for the senior executives for the FY17 year.

## **PRINCIPLE 2:**

### **STRUCTURE THE BOARD TO ADD VALUE**

#### **Nomination Committee**

The Board does not have a Nomination Committee. A formal Nomination Committee would not provide any marked efficiencies or enhancements. The charter of the nomination committee has been included in the Board Charter and as such the Board considers all matters that would be relevant regarding Board appointments. The Board Charter can be found on the Group's website under <http://www.sirtex.com/au/investors/corporate-governance-and-policies/>.

#### **Board Skills**

The Company believes that the capabilities required of its directors must reflect its purpose and the strategies necessary to achieve that purpose.

The Sirtex business aims to help medical professionals improve the clinical outcomes and quality of life for critically ill patients, bringing new treatments and innovations to market that will address serious illnesses and improve the standard of care available to them.

The Board has decided that all directors be involved in all governance aspects, rather than having a larger Board where certain requirements are allocated to separate groups.

The Board's goal is to build a strong global business that is sustainable over the long-term.

The Board (and senior executives) require broad-ranging capabilities. These can be summarised as:

- Extensive senior executive and Board/Director experience;
- Global business experience;

- Accounting and Financial skills;
- Legal skills;
- Production and logistics skills;
- Research and development and the commercialisation of new technology experience;
- Human resource experience;
- Medical industry knowledge; and
- Workplace health and safety experience

Directors are encouraged, and are given the opportunity, to broaden their knowledge of the Group's business by visiting offices in different locations and to remain abreast of developments impacting the business. Directors also receive regular briefings from key management personnel on relevant business topics.

The table below sets out the key skills and experience of the Directors and the extent to which they are represented on the Board and its committees.

<b>Skills and experience (to be confirmed by Board)</b>	<b>Board</b>	<b>Audit</b>	<b>Risk, Health and Safety</b>	<b>Remuneration</b>
<b>Total Directors</b>	<b>6 Directors</b>	<b>5 Directors</b>	<b>5 Directors</b>	<b>5 Directors</b>
<b>Extensive Board/Director experience</b> Has played effective roles as a director in a range of companies over several years.	5	5	5	5
<b>Extensive senior executive experience</b> Has been successful in senior executive roles in sizeable, global organisations.	5	4	4	4
<b>Accounting skills</b> Understands and has successfully used statutory accounts' data to monitor company performance, shape actions and report results.	5	4	4	4
<b>Financial skills</b> Has executive-level experience in enterprise funding and M&A activity.	5	4	4	4
<b>Legal skills</b> Has an intimate knowledge of company law, including tax obligations and entity requirements.	2	2	2	2
<b>Medical industry knowledge</b> Has executive and/or professional experience in medical/biotechnology organisations.	5	4	4	4
<b>Production skills</b> Has had extensive executive experience and responsibility for production facilities and global supply.	3	2	2	2
<b>Human resources experience</b> Has high-level experience in the development and implementation of HR systems, including recruitment, remuneration and development.	6	5	5	5
<b>Leadership knowledge and abilities</b> Has a proven understanding of effective leadership principles necessary to develop effective systems and build empowerment and trust.	6	5	5	5
<b>Strategic business acumen</b> Has proven, practical knowledge of the fundamentals of strategy formulation and its subsequent implementation.	6	5	5	5
<b>Governance appreciation</b> Demonstrates a detailed knowledge of and commitment to the governance required of organisations, particularly those expected of large public companies.	6	5	5	5
<b>Workplace Health and Safety</b> Has executive experience in the development, management and/or implementation of workplace health and safety policies and culture.	4	3	3	3

## **Composition of the Board**

The Board's composition is determined with regard to the following criteria:

- A majority of Independent Non-Executive Directors and an Independent Non-Executive Director as Chairman.
- Re-election of Directors at least every three years (except for the CEO and Executive Director).
- The size of the Board is appropriate to facilitate effective discussion and efficient decision making.

With regard to Director Independence, the Board has adopted specific principles which state that an Independent Director must not be a member of management and must comply with the following criteria:

- Not, within the last three years, have been employed in an executive position of the Group.
- Not be a substantial shareholder or be associated with a substantial shareholder.
- Not, within the last three years, acted as a professional advisor to the Group either as a principal or material consultant.
- Have no material contractual relationship with any entity within the Group other than in the capacity as a Director.

The Board also considers the length of time that the Director has served on the Board and has commenced a process of Board renewal. In the past two financial years, the Board has appointed two new Non-Executive Directors.

The Board members can be found on the Group's website under <http://www.sirtex.com/au/investors/company-overview/board-of-directors/>.

The Group is not aware of any interest, position, association or relationship of the independent directors that could compromise the independence of the non-executive directors.

## **PRINCIPLE 3:**

### **ACT ETHICALLY AND RESPONSIBLY**

#### **Code of Conduct**

The Group recognises the importance of establishing and maintaining high ethical standards and decision making in conducting business and is committed to increasing shareholder value in connection with fulfilling its responsibilities as a good corporate citizen. All Directors, managers and employees are expected to act with the utmost integrity, honesty and objectivity.

The Group has established a Corporate Code of Conduct known as “The Sirtex Code” and a Director’s Code of Conduct, copies of which are available on the Group’s website under <http://www.sirtex.com/au/investors/corporate-governance-and-policies/>. New employees are introduced to The Sirtex Code as part of their induction training.

#### **Securities Trading Policy**

The Group has a Securities Trading Policy which governs the trading in the Group’s shares and applies to all Directors and employees of the Group. The policy was reviewed and updated during the financial year and is available on the Group’s website under <http://www.sirtex.com/au/investors/corporate-governance-and-policies/>.

Under this policy, an executive, employee or Director must not trade in any securities of the Group at any time when they are in possession of unpublished, price sensitive information in relation to those securities, or during Black Out periods. There are three scheduled Black Out periods each year set out as follows:

- The period of four weeks prior to the release of the full-year results to the market;
- The period of four weeks prior to the release of the half-year results to the market; and
- The period of four weeks prior to the Annual General Meeting.

Trading securities of the Group is only allowed outside the Black Out periods. As required by the ASX listing rules, the Group notifies the ASX of any transaction conducted by Directors in securities of the Group. All Sirtex Personnel may only deal in securities of Sirtex once they have obtained formal written clearance in accordance with the policy.

## **PRINCIPLE 4:**

### **SAFEGUARD INTEGRITY IN CORPORATE REPORTING**

#### **Audit Committee**

An Audit Committee has been established by the Board. The Committee’s role and operations are documented in a Charter which is approved by the Board. This Charter was reviewed and updated during the period and is available on the Group’s website under <http://www.sirtex.com/au/investors/company-overview/board-and-committee-charters/>.

The Committee's Charter provides that all members of the Audit Committee must be Independent Non-Executive Directors and that the Chair cannot be the Chairman of the Board. Members of the Committee throughout the period and at the date of this report are:

- Grant Boyce (Chairman);
- John Eady;
- Katherine Woodthorpe;
- Richard Hill; and
- Neville Mitchell,

all of whom are Independent Non-Executive Directors.

The purpose of the Audit Committee is to assist the Board to fulfil its corporate governance and supervisory responsibilities in relation to ensuring:

- The adequacy and reliability of financial and management reporting;
- External reporting complies with statutory, ASX and other requirements;
- An effective and efficient audit is conducted; and
- Approved internal controls and procedures are established and adhered to.

The qualifications and experience of the Board can be found on the Group's website under <http://www.sirtex.com/au/investors/company-overview/board-of-directors/> and above in the Directors skills matrix.

The number of Audit Committee meetings held and attended by each member throughout the period is set out in the Directors' Report the 30 June 2017 Annual Report.

#### **CEO and CFO Declaration**

The Chief Executive Officer and Chief Financial Officer have declared that, in their opinion, the 2017 financial records of the Group 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. Their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

#### **Auditor attendance at AGM**

The external auditor attends the Annual General Meeting to answer any questions concerning the audit of the Group and the contents of the Auditor's Report.

### **PRINCIPLE 5:**

#### **MAKE TIMELY AND BALANCED DISCLOSURE**

##### **Continuous Disclosure Policy**

Sirtex Medical Limited has policies and procedures to ensure timely and balanced disclosure of all material matters concerning the Group, and ensure that all investors have access to information on

the Group's financial performance. This ensures that the Group complies with the information disclosure requirements under the ASX Listing Rules. The policy is reviewed annually.`

These policies and procedures include a comprehensive Corporate Communications and Continuous Disclosure Policy that includes identification of matters that may have a material impact on the share price of Sirtex, notifying them to the ASX, posting relevant information on the Group's website under <http://www.sirtex.com/au/investors/corporate-governance-and-policies/>.

Matters involving potential market sensitive information must first be reported to the Chief Executive Officer. The Chief Executive Officer will advise the other Directors if the issue is important enough to warrant the consideration of the full Board. In all cases the appropriate action must be determined and carried out in a timely manner in order for the Group to comply with the information disclosure requirements of the ASX.

Once the appropriate course of action has been agreed upon, the Chief Executive Officer or the Company Secretary will disclose the information to the relevant authorities. Board approval is required for the market sensitive information such as financial results, material transactions, clinical study updates or upgrading/downgrading financial forecasts.

## **PRINCIPLE 6:**

### **RESPECT THE RIGHTS OF SECURITY HOLDERS**

Sirtex Medical Limited has established a Shareholder Communication Policy which describes the Group's approach to promoting effective communication with shareholders which include:

- A dedicated Investor Relations team has been established to facilitate communication with investors.
- The Annual Report, including relevant information about the operations of the Group during the period, key financial information, changes in the state of affairs and indications of future developments. The Annual Report can be accessed through the ASX website or the Group's website under <http://www.sirtex.com/au/investors/annual-reports/>.
- The half-year and full year financial results are announced to the ASX and are available to shareholders through the ASX website and the Sirtex website.
- All announcements made to the market and related information are made available to all shareholders through the Sirtex website under <http://www.sirtex.com/au/investors/asx-announcements/>.
- All audio and video content from investor conference calls, webcasts and market briefings, including the AGM, are made available to all shareholders through the Sirtex website under <http://www.sirtex.com/au/investors/investor-resources/>
- Detailed notices of shareholder meetings are sent to all shareholders in advance of the Annual General Meeting.
- Shareholding and dividend payment details are available through the Group's share register, Link Market Services Limited.

The Group's Shareholder Communication Policy was reviewed and updated during the period and is available on the under <http://www.sirtex.com/au/investors/corporate-governance-and-policies/>.

The Board encourages full participation by shareholders at the Annual General Meeting to ensure a high level of Director accountability to shareholders and shareholders' identification with the Group's strategy and goals. The shareholders are requested to vote on matters such as the adoption of the Group's remuneration report, the granting of securities to Directors and changes to the Constitution.

Shareholders can contact us at any time through our Investor Relations team. The contact details are available on our website <http://www.sirtex.com/au/investors/investor-contacts/>. The Board receives regular reports from our Head of Investor Relations regarding feedback from shareholders and analysts. This ensures Directors are aware of concerns being raised giving them a good understanding of current market and shareholder views.

Our share registry is maintained by Link Market Services Limited. Link Market Services Limited's website <http://www.linkmarketservices.com.au/corporate/home.html> offers shareholders the ability to confirm the details of their holdings. You will be required to enter your name, address and Shareholder Reference Number (SRN) to access details of your account.

## **PRINCIPLE 7:**

### **RECOGNISE AND MANAGE RISK**

#### **Risk, Health and Safety Committee**

Under its Charter, the Risk, Health and Safety Committee has been delegated responsibility by the Board to oversee the implementation and review of risk management and related internal compliance and control systems throughout the Group.

Every year, the Committee reviews the appropriateness and adequacy of internal processes for determining, assessing and monitoring risk area including the assessment of the effectiveness of the Group's internal compliance and controls including:

- The adequacy and reliability of risk identification, mitigation and reporting;
- The adequacy of disclosures and processes for regular reporting of information to the appropriate parties, including the Board;
- Ensuring that an up to date risk register is kept;
- Ensuring that a risk management plan is prepared and reviewed.

Major issues and findings that are presented and discussed at the committee meetings are reported to the Board by the Committee.

The number of the Risk, Health and Safety Committee meetings held and attended by each member throughout the period is set out in the Directors' Report in the 30 June 2017 Annual Report.



## **Risk management framework**

Sirtex recognises that a robust risk management framework is essential for corporate stability, protecting the interests of its stakeholders and for sustaining its competitive market position and long term performance and as such, adopted a Business Risk Management Policy and Procedure which you will find under <http://www.sirtex.com/au/investors/corporate-governance-and-policies/>.

The following risk objectives drive the Group's approach to risk management:

- Having a culture that is risk aware and supported by high standards of accountability at all levels.
- Promoting and achieving an integrated risk management approach whereby risk management forms a part of all key organisational processes.
- Supporting more effective decision making through better understanding and consideration of risk exposures.
- Increasing shareholder value by protecting and improving share price and earnings per share in the short to medium term while building a sustainable business in the longer term.
- Safeguarding the Group's assets.
- Enabling the Board to fulfil its governance and compliance requirements.

During the period, the Risk, Health and Safety Committee reviewed the Group's risk management framework. Whilst the Board is satisfied that the Framework continues to be sound, the Committee identified a number of opportunities to further enhance risk management across the organisation to be implemented over the coming years. The review also indicated that the Group is operating within the risk profile set by the Board.

## **Internal Audit Function**

The Board has determined that, consistent with the size of the Group and its activities, an internal audit function is not currently appropriate. As noted above, the Board has adopted an Audit Committee and a Risk, Health and Safety Committee and a Business Risk Management Policy. The process is appropriate to the size of the Group to manage the Group's material business risks and to ensure regular reporting to the Board on whether those risks are being managed effectively in accordance with the controls that are in place. The Company conducts business in a heavily regulated industry and environment.

## **Economic, Environmental and Social Sustainability Risks**

The Group is aware that how it conducts business activities impacts directly on a range of stakeholders, including security holders, employees, customers, suppliers, creditors, consumers, governments and the local communities in which it operates.

The Board has reviewed and measured the Group's exposure to economic, environmental and social sustainability risks. The Group's Economic, Environmental and Social Sustainability Report summarises how the Group manages its exposure these risks. The report can be found at <http://www.sirtex.com/au/investors/corporate-governance-and-policies/>.

## Corporate Reporting

The Board has required management to design and implement a risk management and internal control system to manage the Group's material business risks and to report on whether those risks are being effectively managed.

The Board has received the relevant declaration from the Chief Executive Officer and the Chief Financial Officer in accordance with s295A of the Corporations Act 2001 and the relevant assurances under Principles four and seven of the ASX Corporate Governance Principles.

## PRINCIPLE 8:

### REMUNERATE FAIRLY AND RESPONSIBLY

#### Remuneration Committee

As previously stated in Principle 1, the Board has established a Remuneration Committee whose role is documented in a Charter which is approved by the Board.

The objective of the Committee is to assist the Board in determining appropriate remuneration arrangements for the Directors and executive management.

These objectives include:

- Reviewing the adequacy and form of remuneration of Independent Non-Executive Directors and ensuring their remuneration is reflective of the responsibilities and the risks of being a Director of the Group.
- Reviewing the contractual arrangements of the Chief Executive Officer and the executive management team including their remuneration.
- Comparing the remuneration of the Chief Executive Officer and the executive management team with similar industries to ensure that remuneration on offer can attract, retain and properly reward performance which will translate into long term growth in shareholder value.
- Reviewing annually key performance indicators for the Chief Executive Officer and the executive management team to ensure that they remain congruent with the Group's strategies and objectives.
- Reviewing incentive performance arrangements to ensure that they meet needs and reflect the current environment.
- Reviewing proposed remuneration arrangements for new Directors or executive appointments.

The Committee will submit their recommendations to the Board, and the Board will review these recommendations before providing their approval. Details of the Group's remuneration structure and details of senior executive's remuneration and incentives are set out in the Remuneration

Report contained within the Directors' Report. The remuneration Report also contains details of the structure of Non-Executive Director Remuneration.

The number of Remuneration Committee meetings held and attended by each member throughout the period is set out in the Directors' Report in the 30 June 2017 Annual Report.

#### **Executive and Non-Executive Remuneration Policy**

Details of our Executive and Non-executive remuneration policies and practices and the remuneration paid to the Directors (Executive and Non-executive) and other key management personnel are set out in the Remuneration Report in the 30 June 2017 Annual Report.

#### **Equity-based Remuneration Scheme**

Details of our equity-based remuneration scheme for Directors (Executive and Non-executive) and other key management personnel are set out in the Remuneration Report in the 30 June 2017 Annual Report.

In line with the Corporations Act 2001, participants are prohibited from hedging their equity-based remuneration.