

Ocean Grown Abalone Limited and its controlled entities Corporate Governance Statement

The Board recognises the importance of establishing a comprehensive system of control and accountability as the basis for the administration of corporate governance.

To the extent relevant and practical, the Company has adopted a corporate governance framework that is consistent with *The Corporate Governance Principles and Recommendations (4th Edition)* as published by ASX Corporate Governance Council ("**Recommendations**").

The Board has adopted the following suite of corporate governance policies and procedures which are contained within the Company's **Corporate Governance Plan**, a copy of which is available on the Company's website at www.oceangrown.com.au.

- (a) Board Charter
- (b) Corporate Code Of Conduct
- (c) Audit And Risk Committee Charter
- (d) Remuneration Committee Charter
- (e) Nomination Committee Charter
- (f) Continuous Disclosure Policy
- (g) Risk Management Policy
- (h) Remuneration Policy
- (i) Trading Policy
- (j) Diversity Policy
- (k) Whistleblower Policy
- (l) Shareholder Communications Strategy
- (m) Performance Evaluation Procedures

The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

The Company is pleased to report that its practices are largely consistent with the Recommendations of the ASX Corporate Governance Council and sets out below its compliance and departures from the Recommendations for the period ended 30 June 2021. The Board considers the current corporate governance regime to be a fit-for-purpose, efficient, practical and cost effective method of directing and managing the Company, having regard to its size and the nature of the Company's operations. As the Company's activities develop over time, the implementation of additional corporate governance policies and structures will be reviewed.

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| PRINCIPLES AND RECOMMENDATIONS | COMPLY (YES/NO) | EXPLANATION |
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| Principle 1: Lay solid foundations for management and oversight | | |
| <p>Recommendation 1.1</p> <p>A listed entity should have and disclose a board charter setting out:</p> <ul style="list-style-type: none"> 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 which sets out matters including the specific roles and responsibilities of the Board and management, requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretaries, and the establishment, operation and management of Board Committees.</p> <p>The Board Charter is set out in the Company's Corporate Governance Plan which is available on the Company's website.</p> |
| <p>Recommendation 1.2</p> <p>A listed entity should:</p> <ul style="list-style-type: none"> (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. | YES | <ul style="list-style-type: none"> (a) The Company undertakes appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director. These checks may include good fame and character, experience, education and financial history and background. <p>During the 2021 Financial Year, the Company did not put forward any new candidates for election as director of the Company.</p> <ul style="list-style-type: none"> (b) During the 2021 Financial Year, the shareholders of the Company re-elected Ms Danielle Lee as director of the Company at the annual general meeting held on 27 November 2020. All material information relevant to the decision on whether or not to re-elect Ms Lee including information relating to their qualifications, experiences, lengths of service and roles within the Board, was provided to security holders in the Notice of Meeting and in other publicly available information prior to that meeting. |
| <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>Each director and senior executive of the Company is party to a written agreement with the Company which sets out the terms and conditions of their appointment.</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 Secretaries. The Company Secretaries are accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.</p> |
| <p>Recommendation 1.5</p> <p>A listed entity should:</p> | PARTIALLY | <ul style="list-style-type: none"> (a) The Company has adopted a Diversity Policy however, given the current size of the Company, the Board has determined that the |

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| <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(i) the measurable objectives set for that period to achieve gender diversity;</p> <p>(ii) the entity's progress towards achieving those objectives; and</p> <p>(iii) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) the entity's most recent "Gender Equality Indicators", as defined in and published under that the Workplace Gender Equality Act 2012.</p> | | <p>benefits of the initiatives recommended by the ASX Corporate Governance Council in this regard are disproportionate to the costs involved in the implementation of such strategies. Accordingly, the Board has elected to adopt a tiered approach to the implementation of its Diversity Policy which is relative to the size of the Company and its workforce. The Company's policy provides:</p> <ul style="list-style-type: none"> - Where the Company employs 100 or more employees, the Board undertakes to adopt practices in line with the Recommendations of the ASX Corporate Governance Council, including compliance with the requirement for the Company to set and report against measurable objectives for achieving gender diversity. - Whilst the Company's workforce remains below this threshold, the Board will continue to drive the Company's diversity strategies on an informal basis and will apply the initiatives contained in its Diversity Policy to the extent that the Board considers relevant and necessary. <p>(b) The Diversity Policy is set out in the Company's Corporate Governance Plan which is available on the Company's website.</p> <p>(c) As the Company did not employ 100 or more employees during the financial year, the Company did not establish a set of measurable gender diversity objectives.</p> <p>ii. As at 30 June 2021, the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation are set out below. The Company defines senior executives as those employees whose direct report is to the Chief Executive Officer and the Board.</p> <ul style="list-style-type: none"> - 25% of the Company's board were female; - 100% of the Company's three senior executives were male; - 14% of the Company's entire workforce of 42 people were female. |
| <p>Recommendation 1.6</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the Board, its</p> | <p>YES</p> | <p>(a) The full board (which performs the role ordinarily assigned to a Nomination Committee) is responsible for evaluating the performance of the Board and individual Directors on an annual basis. The process for this is set out in the Company's Performance Evaluation Procedures policy which is</p> |

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| <p>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>available on the Company's website in the Corporate Governance Plan.</p> <p>(b) During the 2021 financial year, the Company undertook performance evaluations in line with its Performance Evaluation Procedures Policy.</p> |
| <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> | <p>YES</p> | <p>(a) The Remuneration Committee is responsible for evaluating the performance of senior executives on an annual basis in accordance with the Company's Performance Evaluation Procedures policy. The Performance Evaluation Procedures policy is available on the Company's website in the Corporate Governance Plan.</p> <p>(b) The Company confirms that it undertook performance evaluations of certain of its senior executives during the 2021 Financial Year.</p> |
| <p>Principle 2: Structure the board to be effective and add value</p> | | |
| <p>Recommendation 2.1</p> <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(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</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</p> | <p>YES</p> | <p>(a) The Company has a Remuneration and Nomination Committee comprised of the following directors:</p> <ul style="list-style-type: none"> - Danielle Lee (Independent Chairperson); - Peter Harold (Independent Director); and - Brad Adams (Managing Director). <p>The majority of members of the Remuneration and Nomination Committee are independent directors.</p> <p>The Remuneration and Nomination Committee is chaired by an independent director who is not the chair of the Board.</p> <p>The Nomination Committee Charter is available on the Company's website.</p> <p>Details of the number of times the Committee met during the reporting period and the individual attendances of each of the members are set out in the Directors Report section of the 2021 Annual Report.</p> <p>(b) Not applicable.</p> |

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| <p>balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.</p> | | |
| <p>Recommendation 2.2 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> | <p>YES</p> | <p>The Board of the Company is comprised of directors with a broad range of technical, operational, commercial, legal, financial and other skills, experience and knowledge relevant to overseeing the business of the Company.</p> <p>The Company had developed a skills matrix which it uses as a tool to assess the appropriate and ideal balance of knowledge, skills, experience, independence and diversity necessary for the Board to discharge its duties and responsibilities effectively.</p> <p>A copy of the Company's Board Skills Matrix for the 2021 Financial Year is set out with the Company's Corporate Governance Plan which is available on the Company's website.</p> |
| <p>Recommendation 2.3 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 (4th 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> | <p>YES</p> | <p>(a) During the 2021 Financial Year, the independent directors of the Company were:</p> <ul style="list-style-type: none"> - Peter Harold (Non-Executive Chairman); and - Danielle Lee (Non-Executive Director). <p>Brad Adams (Executive Director Corporate Development) is an executive director and is not independent. Ian Ricciardi (Non-Executive Director) is a substantial shareholder and is not considered independent.</p> <p>(b) The Board has determined the independence of each of the Company's Directors in line with the guidance set out by the ASX's Corporate Governance Council and have not formed an opinion contrary to those guidelines.</p> <p>(c) The Directors in office have served continuously since their respective dates of appointment, which are as follows:</p> <ul style="list-style-type: none"> - Peter Harold: appointed 19 May 2017; - Brad Adams: appointed 1 July 2013; - Ian Ricciardi: appointed 1 July 2013; and - Danielle Lee: appointed 19 May 2017. |
| <p>Recommendation 2.4 A majority of the board of a listed entity should be independent directors.</p> | <p>YES</p> | <p>The Board Charter requires that where practical the majority of the Board will be independent.</p> <p>The current independent directors are Peter Harold and Danielle Lee (being 2 of 4 Directors), with Peter Harold holding a casting vote in his capacity as Chairman of the Board.</p> |

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| <p>Recommendation 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.</p> | YES | The Chairman of the Board (Peter Harold) is an independent Director. The Chairman is not the same person as the CEO. |
| <p>Recommendation 2.6 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 has in place a program for the induction of new directors which is tailored to each new Director depending on their personal requirements, background skills, qualifications and experience and includes meetings with management of the Company, 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.</p> <p>All Directors are expected to maintain the skills required to effectively discharge their obligations to the Company. All Directors are also 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> |
| Principle 3: Instil a culture of acting lawfully, ethically and responsibly | | |
| <p>Recommendation 3.1 A listed entity should articulate and disclose its values.</p> | No | a) The Company is working towards completing its Statement of Values, which are expected to be underpinned from off the foundations of accountability, fair dealings, duty of care and integrity. This framework is reflected in the Company's Corporate Code of Conduct. |
| <p>Recommendation 3.2 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>a) The Company has a Corporate Code of Conduct that applies to its Directors, senior executives and employees.</p> <p>b) The Company's Corporate Code of Conduct is set out in the Company's Corporate Governance Plan which is available on the Company's website.</p> |
| <p>Recommendation 3.3 A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy</p> | YES | <p>a) The Company has a Whistleblowers Policy that applies to its Directors, senior executives, employees and contractors.</p> <p>b) The Company's Whistleblowers Policy is set out in the Company's Corporate Governance Plan which is available on the Company's website.</p> |
| <p>Recommendation 3.4 A listed entity should:</p> | NO | a) The Company is working towards completing its bribery and corruption policy. |

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| <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.</p> | | <p>b) While there is no bribery and corruption policy, the executive management team, who work closely in the operations, provide updates to the board on material operating issues through board and Audit and Risk Committee meetings.</p> |
| Principle 4: Safeguard the integrity of corporate reports | | |
| <p>Recommendation 4.1</p> <p>The board of a listed entity should:</p> <p>(i) have an audit committee which:</p> <p>(a) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(b) is chaired by an independent director, who is not the chair of the board, and disclose:</p> <p>(c) the charter of the committee;</p> <p>(d) the relevant qualifications and experience of the members of the committee; and</p> <p>(e) 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>(ii) 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> | <p>PARTIALLY</p> | <p>The Company has an Audit and Risk Committee which comprises:</p> <p>(a) Danielle Lee (Independent Chairperson);</p> <p>(b) Peter Harold (Independent Director); and</p> <p>(c) Ian Ricciardi (Non-Executive Director).</p> <p>The majority of members of the Audit and Risk Committee are independent directors.</p> <p>The Audit and Risk Committee is chaired by an independent director who is not the chair of the Board.</p> <p>The Audit and Risk Committee Charter is set out in the Company's Corporate Governance Plan which is available on the Company's website.</p> <p>The relevant qualifications and experience of the members of the Audit and Risk Committee are set out in the Director Report section of its 2021 Annual Report.</p> <p>Details of the number of times the Committee met during the reporting period and the individual attendances of each of the members are set out in the Directors Report section of its 2021 Annual Report.</p> |
| <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</p> | <p>YES</p> | <p>Prior to the execution of the financial statements of the Company, the CEO and CFO provided the Board with a written 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</p> |

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| 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. | | basis of a sound system of risk management and internal control which is operating effectively. |
| <p>Recommendation 4.3</p> <p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p> | YES | The Company does disclose the process to verify the integrity of the corporate reports it releases to the market that are not audited or reviewed by external auditors. |
| Principle 5: Make timely and balanced disclosure | | |
| <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 Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p> | YES | <ul style="list-style-type: none"> - 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. - The Continuous Disclosure Policy is set out in the Company's Corporate Governance Plan which is available on the Company's website. |
| <p>Recommendation 5.2</p> <p>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p> | YES | The Company has adopted a policy that all material announcements are reviewed for consideration by the board prior to release to the market. |
| <p>Recommendation 5.3</p> <p>A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.</p> | YES | The Company has adopted a policy that substantive investor or analyst presentations are released on the ASX Market Announcements Platform ahead of the presentation. |
| Principle 6: Respect the rights of security holders | | |
| <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, Corporate Governance Plan and Corporate Governance Statement) on the Company's website. |
| <p>Recommendation 6.2</p> <p>A listed entity should design and implement an investor relations</p> | YES | The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication |

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| <p>program to facilitate effective two-way communication with investors.</p> | | <p>with investors. The Strategy outlines a range of ways in which information is communicated to Shareholders, including via its website, through announcements released to the ASX, its annual report and general meetings. Shareholders are also welcomed to contact the Company or its registrar, Automic Registry Services, via email or telephone.</p> <p>The Company's Shareholder Communications Strategy is contained in the Company's Corporate Governance Plan which is available on the Company's website.</p> |
| <p>Recommendation 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.</p> | <p>YES</p> | <p>The Company encourages shareholders to participate at all general meetings of the Company by written statement contained in every notice of meeting sent to shareholders prior to each meeting.</p> <p>The Company accommodates shareholders who are unable to attend general meetings in person by accepting votes by proxy.</p> <p>Further, any material presented to shareholders at the meeting will be released to the ASX immediately prior to the commencement of the meeting for the benefit of those shareholders who are unable to attend in person. The Company will also announce to the ASX the outcome of each meeting immediately following its conclusion.</p> <p>At each general meeting, shareholders are given an opportunity to ask questions in relation to the resolutions put to shareholders at that meeting, and in respect of the Company's business and operations generally.</p> <p>At each annual general meeting, shareholders are also invited by the Chairman to ask questions of the Company's external auditor and the Board in relation to the annual financial report of the Company and the conduct of the audit.</p> |
| <p>Recommendation 6.4 A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</p> | <p>YES</p> | <p>The Company has adopted the policy that all substantive resolutions at a meeting of security holders are decided by a poll.</p> |
| <p>Recommendation 6.5 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p> | <p>YES</p> | <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>Security holders can also register with the Company at investors@oceangrown.com.au to</p> |

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| | | receive an email notification each time the Company releases an announcement to the ASX. |
| Principle 7: Recognise and manage risk | | |
| <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> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(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</p> <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 Company has an Audit and Risk Committee which comprises:</p> <ul style="list-style-type: none"> - Danielle Lee (Independent Chairperson); - Peter Harold (Independent Director); and - Ian Ricciardi (Non-Executive Director). <p>The majority of members of the Audit and Risk Committee are independent directors.</p> <p>The Audit and Risk Committee is chaired by an independent director who is not the chair of the Board.</p> <p>The Audit and Risk Committee Charter is available on the Company's website.</p> <p>Details of the number of times the Committee met during the reporting period and the individual attendances of each of the members are set out in the Directors Report section of its 2021 Annual Report.</p> |
| <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, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the board; and</p> <p>(b) disclose in relation to each reporting period, whether such a review has taken place.</p> | YES | <p>(a) The Company's process for risk management and internal compliance is set out in its Risk Management Policy and 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 Audit and Risk Committee is responsible for the review of the Company's risk management procedures and internal compliance and controls on an annual basis.</p> <p>(b) During the 2021 Financial Year, the Company undertook a review of its risk management framework in line with its Risk Management Policy.</p> |
| <p>Recommendation 7.3</p> <p>A listed entity should disclose:</p> | YES | <p>(a) Due to the size and nature of the Company's operations, the Company does not consider it necessary to establish</p> |

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| <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>a formal internal audit function at this stage. The Audit and Risk Committee, will however, monitor the need for a formal internal audit function as the Company develops.</p> <p>(b) The effectiveness of the Company's risk management and internal control processes is subject to annual review by the Audit and Risk Committee.</p> |
| <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> | <p>YES</p> | <p>The Company's Risk Management Policy details the Company's risk management systems which assist in identifying and managing potential or apparent business, economic, environmental and social sustainability risks (where appropriate).</p> |
| <p>Principle 8: Remunerate fairly and responsibly</p> | | |
| <p>Recommendation 8.1</p> <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(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</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>YES</p> | <p>The Company has a Remuneration Committee which comprises:</p> <ul style="list-style-type: none"> - Danielle Lee (Independent Chairperson); - Peter Harold (Independent Director); and - Brad Adams (Managing Director). <p>The majority of members of the Remuneration Committee are independent directors.</p> <p>The Remuneration Committee is chaired by an independent director who is not the chair of the Board.</p> <p>The Remuneration Committee Charter is available on the Company's website.</p> <p>Details of the number of times the Committee met during the reporting period and the individual attendances of each of the members are set out in the Directors Report section of the 2021 Annual Report.</p> |
| <p>Recommendation 8.2</p> | <p>YES</p> | <p>The Company's Corporate Governance Plan requires the Board to disclose its policies and</p> |

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| <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 and ensure that the different roles and responsibilities of non-executive directors compared to executive directors and other senior executives are reflected in the level and composition of their remuneration.</p> | | <p>practices regarding the remuneration of non-executive and executive directors and other senior employees. This disclosure is set out in the Remuneration Report section of the 2021 Annual Report.</p> <p>Non-executive directors are remunerated at a fixed fee for time and may receive equity-based remuneration, subject to shareholder approval, where the Company believes the issue of securities will align the interests of the Company's non-executive Directors with those of shareholders. There are no documented agreements providing for termination or retirement benefits to non-executive directors.</p> <p>Executive directors and senior executives are offered a competitive level of base pay at market rates and are reviewed annually to ensure market competitiveness. Performance incentives may include performance bonus payments, shares and / or other appropriate equity securities granted at the discretion of the Board and subject to obtaining the relevant approvals.</p> |
| <p>Recommendation 8.3</p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <ul style="list-style-type: none"> • 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 • disclose that policy or a summary of it. | <p>YES</p> | <p>(a) The Company has an employee incentive scheme. 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>(b) The Company's policy in this regard is set out the Company's Remuneration Committee Charter, a copy of which is available on the Company's website.</p> |
| <p>Additional Recommendations that only apply in certain cases</p> | | |
| <p>Recommendation 9.1</p> <p>A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.</p> | <p>N/A</p> | <p>The Company does not have a director in this position and this recommendation is therefore not applicable.</p> |
| <p>Recommendation 9.2</p> <p>A listed entity established outside Australia should ensure that meetings</p> | <p>N/A</p> | <p>The Company is established in Australia and this recommendation is therefore not applicable</p> |

Ocean Grown Abalone Limited and its controlled entities Corporate Governance Statement

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| of security holders are held at a reasonable place and time. | | |
| <p>Recommendation 9.3</p> <p>A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p> | N/A | The Company is established in Australia and is not an externally managed listed entity and this recommendation is therefore not applicable. |
| Additional Disclosures Applicable to Externall Managed Listed Entities | | |
| <p>Alternative to Recommendation 1.1 for externally managed listed entities:</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; and</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p> <p>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p> | N/A | The Company is not an externally managed listed entity and these recommendations are therefore not applicable. |