



# Corporate Governance Statement

2018

The Board of Elixinol Global Limited (the “**Company**” or “**EXL**”) recognises the importance of having proper and effective corporate governance arrangements and of communicating our approach to corporate governance to our shareholders and the broader investment community to instill investor confidence in the Company.

The Company recognises that our stakeholders expect that we will follow the corporate governance recommendations set for ASX listed entities by the ASX Corporate Governance Council except where we have a legitimate reason not to do so.

The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd edition) seek to promote eight (8) general corporate governance principles detailed below and provide recommendations as to how a listed entity might give effect to these eight principles (**ASX Recommendations**).

This Corporate Governance Statement discloses the extent to which EXL has followed the ASX Recommendations during the reporting period and identifies any Recommendation which the Company has not followed and states the Company's reasons and what alternative governance practices the Company adopted in lieu of the Recommendation.

## **The Board lays solid foundations for management and oversight**

### ***Board responsibilities and delegations***

The Board is appointed by and represents shareholders, the owners of EXL. It is accountable to shareholders for creating and delivering sustainable value through effective governance of EXL. All Directors must contribute to the Board's collective decision-making process having regard to the skills and experience that each Director brings to EXL's Board. Details of each of EXL's Directors (and its Committee members) are located on EXL's website at [www.elixinolglobal.com/site/About-Us/board-of-directors](http://www.elixinolglobal.com/site/About-Us/board-of-directors).

The Board Charter provides a framework for the effective operation of the Board, which sets out the:

- Board's role and responsibilities;
- the establishment of Committees (described below); and
- the authority delegated by the Board to the Chief Executive Officer and to the Committees.

The Board's role includes providing leadership and guiding EXL's strategic direction, driving its performance and overseeing the activities of Management and the operation of EXL. A key part of the Board's responsibilities is to implement and oversee an effective corporate governance structure for EXL.

The Board Charter specifies the role of the Chairman, the Board composition and the responsibilities of Directors. It also provides that the Company Secretaries are accountable to the Board through the Chairman and that the Company Secretaries are to advise the Board and its Committees on all governance matters and coordinate all Board and Committee business.

The Board Charter also allocates the decision making authority within EXL and sets out the matters reserved for Board decision. The Board delegates to the Chief Executive Officer authority and power to manage EXL's business on a day-to-day basis, subject to the limits imposed by the Board. In turn, the Chief Executive Officer may delegate aspects of his authority to Senior Executives but remains accountable to the Board for the authority that is delegated and for the performance of EXL, with the expectation that the Chief Executive Officer works in a constructive partnership with the Board. The Board monitors the decisions and actions of the Chief Executive Officer, the performance of EXL and assesses its risk profile with the assistance of each of its Committees.

The Board Charter also describes the Chief Executive Officer's role and responsibilities.

The Board Charter is located on EXL's website at [www.elixinolglobal.com/site/About-Us/corporate-governance](http://www.elixinolglobal.com/site/About-Us/corporate-governance) and is next scheduled for review in December 2019.

### ***Board Committees***

The Board has established the following Committees to assist it in discharging its functions:

- Remuneration and Nomination Committee; and
- Audit and Risk Committee;

each of which are described in detail below.

### **Board meetings and attendance**

The Board meets as often as necessary to fulfil its role. Directors are required to allocate sufficient time to EXL to perform their responsibilities effectively, including adequate time to prepare for Board meetings. The Company has disclosed the number of times the Board, the Remuneration and Nomination Committee and the Audit and Risk Committee met throughout the reporting period on page 29 of the Annual Report. Senior Executives attend Board and Committee meetings by invitation.

### **Access to information and independent professional advice**

Management are required to report regularly to the Board in a spirit of openness on the progress being made by EXL. Directors are entitled to request additional information at any time they consider it appropriate. An open dialogue between individual Directors and the Chief Executive Officer and Senior Executives is encouraged.

The Board collectively, and each Director individually, has the right to seek independent professional advice, at EXL's expense.

### **Director and Executive Agreements**

The Company has entered into written agreements with Mr Andrew Duff and Mr Stratos Karousos. Each agreement sets out the terms of the appointment of Mr Duff and Mr Karousos as non-executive Directors.

The Company has entered into executive employment agreements with each of the senior executive management team including the Company's Executive Directors, Ms Linda McLeod and Mr Paul Benhaim.

### **Diversity and inclusion**

EXL values a strong and diverse workforce and is committed to promoting a corporate culture that embraces diversity and inclusion.

EXL seeks to create a work environment where people are free to achieve their best, without encountering prejudice regarding their gender, ethnicity or cultural background, age, impairment, religious belief or activity or lawful sexual activity. EXL will not tolerate any form of unlawful discrimination, harassment, vilification or victimisation of an employee who raises concerns or provides information about such conduct.

EXL also acknowledges the need for its employees to combine and balance their career and family obligations, and recognises the importance of caring for family members. EXL will, to the extent practicable, adopt flexible work practices that will assist employees to meet their domestic responsibilities.

The Board fully supports all kinds of diversity, however the Board did not set measurable objectives against which EXL will report on an annual basis. Due to the size of the Company, the Board does not consider it appropriate to adopt such measurable objectives or set targets at this time.

The Remuneration and Nomination Committee is responsible for reviewing the Diversity Policy. The Diversity Policy is located on EXL's website at [www.elixinolglobal.com/site/About-Us/corporate-governance](http://www.elixinolglobal.com/site/About-Us/corporate-governance), and is next scheduled for review in December 2019.

Gender is a key diversity target at EXL. As such, female representation at EXL since its Initial Public Offering (IPO)\* is set out below.

<b>EXL level</b>	<b>Current percentage of women</b>	<b>Percentage of women in 2017*</b>
Board of Directors	25%	25%
Executive Leadership Team**	25%	25%
Management	14%	0%
EXL (entire organisation)	40%	30%

\*As reported in the 2017 Corporate Governance Statement.

\*\* Senior Executives includes the Executive Key Management Personnel of the Company as outlined in the Remuneration Report for FY2018.

## **Performance review of the Board**

The Board's Charter provides that the Board will evaluate, at least annually, the performance of the Board, each Board Committee and each Director. The responsibilities of the Remuneration and Nomination Committee include assisting the Board with these performance evaluations. The Board did not undertake any formal performance evaluations in respect of the Board, the Board Committees or the Independent Non- Executive Directors during the reporting period being the first reporting period since ASX listing. It is intended that a performance review of the Board will be undertaken during 2019 following completion of a full year of trading.

## **Performance Review of the Executive Leadership Team**

At the start of each financial year, key performance indicators (**KPI**) for the Executive Leadership Team (**ELT**) are reviewed and recommended to the Board by the Remuneration and Nomination Committee (**RNC**). At the end of the year, the RNC (with the exception of Ms Linda McLeod in respect of her role as the Managing Director) assessed the ELT's performance against KPIs. These assessments are reviewed and reported to the Board by the RNC.

In respect of FY2018, a performance evaluation of the ELT was conducted during 2018. KPI performance for the ELT is described in the Remuneration Report from page 10 to 17 of the Annual Report, located on EXL's website at [www.elixinolglobal.com/site/investor/annual-and-financial-reports](http://www.elixinolglobal.com/site/investor/annual-and-financial-reports) .

KPIs in respect of FY 2019 for the ELT will be established by 31 March 2019.

## **The Board is structured to add value**

### **Remuneration and Nomination Committee**

The RNC has three members two of whom are independent Non-Executive Directors and is chaired by the Chairman of the Board Mr Andrew Duff, Executive Director and Managing Director Ms Linda McLeod and independent Non-Executive Director Mr Stratos Karousos.

The Remuneration and Nomination Committee Charter sets out the role and responsibilities of the Nomination Committee and the Charter is located on EXL's website at [www.elixinolglobal.com/site/About-Us/corporate-governance](http://www.elixinolglobal.com/site/About-Us/corporate-governance). The Remuneration and Nomination Committee Charter is next scheduled for review in December 2019.

### **Board composition and Director selection/appointment/induction process**

The Board believes orderly succession and renewal will be achieved as a result of careful planning. While the current Board has been in place for a year, the composition of the Board will be periodically reviewed within the limit imposed by the Constitution (maximum eight Directors).

The Board is currently comprised of two independent Non-Executive Directors and two Executive Directors. While the composition of the current Board does not result in a majority of independent Directors, the Board believes the current Board reflects an appropriate mix of experience and ability to represent shareholders. The Board intends that the Board will comprise Directors with a broad range of skills, expertise and experience from a diverse range of backgrounds that is appropriate to EXL and its international growth strategy.

When appointing new Directors, the Board, in discharging its nominations related responsibilities, evaluates the balance of skills, knowledge and experience on the Board as well as the terms served by existing Non-Executive Directors. In light of this evaluation, the Board determines the role and capabilities required for the appointment.

At commencement of a Director selection process, the Board will undertake appropriate checks on potential candidates to consider his or her suitability to fill a casual vacancy on the Board or for election as a Director. Prior to appointment, candidates are required to provide the Chairman with details of other commitments and an indication of time involved, and to acknowledge that he or she will have adequate time to fulfil his or her responsibilities as a Non-Executive Director of EXL. EXL have entered into a written agreement with each Director (and Senior Executive) setting out the key terms, conditions and responsibilities of their position.

As part of a mutual due diligence process between the Board and a potential candidate, the potential Director is provided a suite of documentation (being a combination of public and private materials), subject to strict confidentiality arrangements.

Once appointed, new Directors will undergo an induction program during which they meet the ELT and will be given a full briefing on EXL operations, its strategies, the nature of its various businesses, its financial position and performance and its operational and risk management.

Directors appointed to fill a casual vacancy hold office until the end of EXL's next annual general meeting (**AGM**), where they can seek election by shareholders. Directors are re-elected in accordance with the Constitution and the ASX Listing Rules. On recommendation from the Remuneration and Nomination Committee, the notice of AGM contains all material information about candidates so that shareholders can make an informed decision on whether or not to elect or re-elect a Director.

Non-Executive Directors are expected to inform the Chairperson of any proposed appointment to the Board or executive of another company as soon as practicable.

All Directors are encouraged to undergo regular professional development and where practicable, specific educational sessions are scheduled for Board and Committee meetings.

## EXL Board of Directors

EXL's Board currently has four Directors, one of whom is the Chief Executive Officer, Mr Paul Benhaim and the Managing Director Ms Linda McLeod, the remaining two are independent Non-Executive Directors. While the Board considers the current size is appropriate to discharge its duties effectively, the Board intends to appoint an additional independent Non-Executive Director to further support its growth and strategy.

The criteria by which the Board determines the independence of a Director is set out in the Board Charter. Two Directors are considered by the Board to be independent Non-Executive Directors, including Mr Andrew Duff, Chairman of the Board as set out in the table below. There is a clear division of responsibility between the Independent Non-Executive Chairman and the Chief Executive Officer.

Each Director must immediately disclose to the Board if a Director is, or becomes aware of, any information, facts or circumstances that will or may affect that Director's independence.

Director	Independent Status	Appointment Date
Andrew Duff (Chairman)	Independent Non-Executive Director	27 November 2017
Paul Benhaim (Chief Executive Officer)	Executive Director	4 September 2017
Linda McLeod (Managing Director)	Executive Director	4 September 2017
Stratos Karousos	Independent Non-Executive Director	4 September 2017

## Board skills matrix

The Board is comprised of highly experienced business leaders who each meet the fundamental requirements necessary to govern an ASX listed company in the sectors. In addition, the Board considers that each Director demonstrates the following personal attributes:

- the time to undertake the responsibilities of the role;
- unquestioned honesty and integrity;
- an ability to apply strategic thought to relevant matters;
- the ability to exercise sound business judgement and to deal with complex issues; and
- a preparedness to question, challenge and critique.

The Chief Executive Officer brings additional perspectives to the Board through a deeper understanding of the market in which EXL's business operates and its day-to-day operations.

The Board seeks to ensure that it has the appropriate mix of skills, knowledge and experience to guide EXL and assist management achieve the strategic objectives set by the Board. The RNC is responsible for implementing plans for identifying, assessing and enhancing Director competencies.

During the year ended 31 December 2018, the RNC did not implement a formal Board Skills Matrix however the Board will prepare a matrix for review in the current period following its first year of trading subsequent to ASX listing, in conjunction with recruitment of an additional non-executive director. In accordance with clause 3.2 of the Board Charter, the Board has considered its current skills mix and considers an appropriate mix of skills, diversity and experience is represented on the Board, taking into account the size of EXL and the nature of its operations.

## The Board promotes ethical and responsible decision-making

### **Code of Conduct**

As the stewards of EXL's corporate governance framework, the Board recognises the need to observe a high standard of corporate practice and business conduct. Accordingly, the Board adopted the Code of Conduct, which outlines how EXL expects its representatives to behave and conduct business in the workplace.

All EXL Directors, officers, employees, contractors, consultants, other persons that act on behalf of the Group and associates of the Group (**Personnel**) must comply with the Code of Conduct. All Personnel are expected at all times to comply with all applicable laws. In addition, all Personnel are expected to conduct EXL's operations with high legal, moral and ethical standards in all their dealings and to uphold EXL's reputation.

The Code of Conduct is located on EXL's website at [www.elixinolglobal.com/site/About-Us/corporate-governance](http://www.elixinolglobal.com/site/About-Us/corporate-governance) and is next scheduled for review in December 2019.

### **Securities Trading Policy**

EXL's Securities Trading Policy governs trading in EXL securities by Restricted Persons as defined in the Policy (including Directors, the company secretary and direct reports to the Chief Executive Officer and Managing Director) and their associated parties (**Restricted Persons**). Restricted Persons must not trade, arrange for someone else to trade, or pass on information to someone they know or ought reasonably to know, may use the information to trade (or procure another person to trade) EXL shares when they are in possession of price sensitive information relation to EXL which is not generally available to the market.

To avoid any adverse inference being drawn of unfair dealing, Restricted Persons must not deal in EXL's securities during a closed period. The closed periods are:

- the period between the end of the Group's financial year, being 31 December and 24 hours following the release of the Group's full year financial results;
- the period between the end of the Group's half year, being 30 June and 24 hours following the release of the Group's half year financial results;
- the duration of an offer period for an offer of securities made under a prospectus or cleansing statement; and
- any other period as advised to the Group by the Board.

If a Restricted Person wishes to trade in EXL securities during a closed period, the Securities Trading Policy provides that exceptional circumstances must be shown and prior written approval must be obtained from the Company Secretary.

The Securities Trading Policy is located on EXL's website at <https://www.elixinolglobal.com/site/About-Us/corporate-governance> and is next scheduled for review in December 2019.

## The Board safeguards integrity in corporate reporting

### **Audit and Risk Committee**

The Audit and Risk Committee (**ARC**) has three members one of whom is an independent Non-Executive Director and is chaired by the Chairman of the Board Mr Andrew Duff, Executive Director and Managing Director Ms Linda McLeod and Executive Director and Chief Executive Officer Mr Paul Benhaim. All members are financially literate and have a deep understanding of the industry in which EXL operates to be able to discharge the ARC's mandate effectively. Several members have accounting and financial expertise. Whilst the composition of the ARC does not meet the recommendations, the Board believes that the current membership reflects an appropriate mix of experience and ability to discharge its responsibilities for the size of the organisation.

The Audit and Risk Committee Charter sets out the role and responsibilities of the ARC and the Charter is located on EXL's website at [www.elixinolglobal.com/site/About-Us/corporate-governance](http://www.elixinolglobal.com/site/About-Us/corporate-governance). The Audit and Risk Committee Charter is next scheduled for review in December 2019.

The purpose of the ARC is to:

- oversee, review and supervise EXL's risk management framework and promote a risk management culture;
- assist the Board in discharging its responsibilities relative to the financial reporting process, the system of internal controls relating to all matters affecting EXL's financial performance and the audit process;
- make recommendations to the Board in relation to the Group's insurance program; and
- oversight of EXL's compliance with laws and regulations.

The responsibilities of the ARC in relation to external audit include:

- establishing procedures for the selection, appointment and removal of the external auditor and for the rotation of external audit engagement partners;
- reviewing the external auditor's proposed audit scope and approach;
- meeting with the external auditor to review audit reports and at least once a year, meeting to discuss any matters that the ARC or auditor believe should be discussed privately without Management present;
- establishing policies as appropriate in regards to the independence, integrity and performance of the external auditor;
- reviewing the independence of the external auditor and the appropriateness of any non-audit services provided by them to EXL; and
- reviewing the performance of the external auditor and the external audit fees paid.

The external auditor must be independent of EXL. The ARC will review and assess the independence of the external auditor on an annual basis.

The ARC may obtain information from, and consult with, Management, the external auditor and external advisers, as it considers appropriate. The ARC also has access to the external auditor to discuss matters without Management being present.

### ***Chief Executive Officer and Chief Financial Officer Declarations***

Prior to Board approval of EXL's annual financial reports, the Chief Executive Officer and Chief Financial Officer must provide the Board with the declarations required under section 295A of the Corporations Act 2001 (Cth) (**Corporations Act**) and Recommendation 4.2 of the ASX Recommendations. This declaration is also provided prior to Board approval of EXL's half-year financial reports required under Recommendation 4.2 and as if section 295A of the Corporations Act applied in respect of a half-year period.

For the financial year ended 31 December 2018, the Chief Executive Officer and Chief Financial Officer made a declaration in accordance with section 295A of the Corporations Act and as recommended by Recommendation 4.2 of the ASX Recommendations. The declaration was formed on the basis of a sound system of risk management and internal control which is operating effectively. An equivalent declaration was made for the half-year ended 30 June 2018.

### ***Auditor at the AGM***

At EXL's AGM, Deloitte, as the independent external auditor, will be present and available to answer shareholder questions on the:

- conduct of the independent external audit;
- preparation and content of the independent external auditor's report;
- accounting policies adopted by EXL in relation to the preparation of the financial statements; and
- independence of Deloitte in relation to the conduct of the audit.

## **The Board makes timely and balanced disclosure**

The Board is committed to maintaining the highest standards of disclosure, ensuring that all shareholders and potential investors have the same access to high-quality, relevant information in an accessible and timely manner to assist them in making informed decisions.

EXL's Continuous Disclosure Policy ensures compliance with the explicit requirements and the spirit and intent of its disclosure obligations under the Corporations Act and ASX Listing Rules and is located on EXL's website at [www.elixinolglobal.com/site/About-Us/corporate-governance](http://www.elixinolglobal.com/site/About-Us/corporate-governance). The Continuous Disclosure Policy is next scheduled for review in December 2019.

Under the Continuous Disclosure Policy, the Board bears the primary responsibility for EXL's compliance with its continuous disclosure obligations and is therefore responsible for overseeing and implementing this policy. The Board makes the ultimate decision on whether there is any materially price sensitive information that needs to be disclosed to the ASX.

The Board has appointed the Company Secretaries as the person principally responsible for operating, overseeing and maintaining the Continuous Disclosure Policy. The Company Secretaries are the liaison between the Group's employees and officers, its Board of Directors and the ASX. All Directors, employees and officers are required to notify either of the Company Secretaries if they believe there is materially price sensitive information which requires disclosure to the ASX.

## **The Board respects the rights of shareholders**

A key part of EXL's approach to governance involves encouraging shareholders' views to be heard and understood. It is important for our shareholders to access information and have facilities available to enable them as owners of EXL to exercise their rights, and in doing so shareholders are encouraged to make their views known to us. EXL has adopted a Shareholder Communications Policy which is located on EXL's website at [www.elixinolglobal.com/site/About-Us/corporate-governance](http://www.elixinolglobal.com/site/About-Us/corporate-governance). The Shareholder Communications Policy is next scheduled for review in December 2019.

### **EXL website**

EXL's website at [www.elixinolglobal.com](http://www.elixinolglobal.com) is kept current to maintain effective communication with shareholders and stakeholders. Information available on EXL's website includes pertinent information about EXL's operations, Director and Senior Executive profiles, copies of all key governance documentation and key shareholder information such as access to EXL's Investor Centre, announcements, archived investor presentations and current share price information.

All ASX announcements made by EXL can also be accessed from the 'Announcements' section of the ASX website at [www.asx.com.au/asx/statistics/announcements](http://www.asx.com.au/asx/statistics/announcements) using EXL's ticker code: EXL.

### **Investor relations**

Relationships with investors are very important at EXL. Following EXL's release of its half-year and annual financial statements, EXL conducts investor briefings and investor roadshows with institutional groups and analysts.

EXL's 2019 AGM will be held on 23 May 2019, and each of the Board and the ELT will engage in two-way communications with investors and proxy advisers in advance of the AGM, as appropriate.

### **Shareholder communications**

Shareholders may elect to receive all communications from EXL's share registry electronically. Electronic communications have the added advantage of being more timely and cost effective, which benefits all EXL owners and is encouraged by EXL. Shareholders should contact EXL's share registry, Computershare, if they wish to elect to receive electronic communications by emailing Computershare through the following link: [www.elixinolglobal.com/site/investor/shareholder-services](http://www.elixinolglobal.com/site/investor/shareholder-services) or by emailing [WebQueriesAUx@computershare.com.au](mailto:WebQueriesAUx@computershare.com.au).

### **Shareholder engagement and participation**

EXL strongly encourages shareholder engagement and participation at its general meetings. EXL's goal is to increase investor engagement and encourage investor participation.

Shareholders who attend an EXL general meeting physically will also be able to ask questions and participate in voting, as well as, meet the Board and the Senior Executives face-to-face.

Shareholders who are unable to attend a general meeting are encouraged to vote on the proposed motions by appointing a proxy. In addition, shareholders have the opportunity to submit written questions to EXL and its independent external auditor, make comments on the management of EXL and access presentations and speeches made by the Chairman and Chief Executive Officer prior to the commencement of the meeting.

EXL publishes the results of all general meeting to the ASX and on the Company's website following the conclusion of the relevant meeting.

## The Board recognises and manages risk

[Covered above]

### **Risk Management**

The Board requires Management to design, implement and review the risk management and internal control systems to manage EXL's material business risks and report to it on whether those risks are being managed effectively. Ongoing risk management is a core competency of Management. EXL's ability to identify and address risk is central to achieving our corporate objectives.

EXL is committed to maintaining a sound system of risk oversight and management and internal control to identify, assess, monitor and manage material risks related to EXL's operations

In its function as a risk committee, the ARC assists the Board in fulfilling its corporate governance responsibilities in regard to oversight of EXL's risk management framework and internal control systems. Details about the ARC are set out above.

The ARC's primary role with respect to risk management is to:

- in consultation with management, prepare a risk profile which describes the material business risks facing the Group, regularly review and update the risk profile, at least annually;
- review and report to the Board (at least annually) on the effectiveness of the Group's internal controls regarding, due diligence for acquisitions and other new projects, compliance with confidentiality obligations and information technology security;
- review and report to the Board (at least annually) on the effectiveness of internal systems and processes for identifying, managing and monitoring material business risks;
- obtain regular reports from management on the occurrence and/or status of any material breaches of internal controls or other material risk exposures or incidents and report to the Board on those matters;
- review EXL's insurance program having regard to EXL's business and the insurable risks associated with its business and inform the Board regarding the same;
- review the scope of the external auditors' review of internal control and risk management, review reports on significant findings and recommendations, together with management's responses; and
- recommend to the Board any changes to the Company's internal control and risk management framework from time to time as appropriate.

In addition to the ARC, the RNC assists the Board in fulfilling its risk related corporate governance responsibilities, with respect to specific risks within each Committee's specific realm. Further information is contained in each committee's charter located on EXL's website at [www.elixinolglobal.com/site/About-Us/corporate-governance](http://www.elixinolglobal.com/site/About-Us/corporate-governance)

The Risk Management Policy sets out the requirements, roles and responsibilities for managing risks across EXL which is documented in the Risk Management Framework. During FY2018, the Committee established EXL's Risk Management Framework. At its November 2018 Meeting, the Audit and Risk Committee endorsed EXL's Risk Management Policy and Risk Management Framework to reflect the risk appetite set by the Board. The revised Policy and Framework was also subsequently approved by the Board. The Risk Management Policy is available on EXL's website at [www.elixinolglobal.com/site/About-Us/corporate-governance](http://www.elixinolglobal.com/site/About-Us/corporate-governance)

Through the ARC, Management reported to the Board on the effectiveness of the management of the material risks faced by EXL during FY2018. Through the ARC, the Board has reviewed the Risk Management Framework and is satisfied that it continues to be sound.

### **Internal audit**

Due to EXL's current size, the Company does not have an internal audit function. The ARC evaluates the effectiveness of EXL's risk management and internal control processes.

### **Economic, environmental and social sustainability risks**

EXL is committed to sustainability and to acting in a responsible manner to promote employee well-being, minimise our impact on the environment and give back to the wider community. EXL's ethos is to build partnerships with employees, clients, investors, suppliers and communities based on mutual respect, trust and fairness.

The ASX Recommendations define 'material exposure' as a 'real possibility' that the risk in question could substantively impact the listed entity's ability to create or preserve value for shareholders over the short, medium or long term'.

Material business risks are described in the Operating and Financial Review, but in summary, the key risks are as follows:

- agricultural risk and climate change risk;
- supplier arrangements;
- obtaining licences for importing, cultivating, manufacture and distribution (including export) of medicinal cannabis products; and
- risk of adverse events, product liability or other safety issues.

Full details about the above risks and how EXL manages these risks is set out in the Annual Report on pages 24 to 25.

### **Other risks**

EXL faces certain other business risks, notably those related to:

- political and regulatory environment;
- ability to attract and retain key personnel;
- integration of acquired business and execution of new acquisitions; and
- systems, security and data privacy.

EXL's Operating and Financial Review provides details about our pro-active management of these risks (refer pages 24 and 25 of the Annual Report located on EXL's Website at: [www.elixinolglobal.com/site/investor/annual-and-financial-reports](http://www.elixinolglobal.com/site/investor/annual-and-financial-reports))

## **The Board remunerates fairly and responsibly**

EXL's approach to remuneration is to align its policies and practices to sustainable shareholder value creation.

### **Remuneration and Nomination Committee**

[Covered above]

The purpose of the RNC is to assist the Board with various matters including the following:

- establishment of a human resources strategy and supporting policies and practices for EXL employees and Directors, and monitoring the implementation and effectiveness of the strategy, policies and practices;
- establishment of remuneration policies and practices for EXL's employees and Directors and monitoring the implementation and effectiveness of the policies and practices.
- identifying and nominating for Board approval, candidates to fill Board vacancies;
- reviewing succession plans for Directors and Senior Executives;
- advise the Board on governance standards and appropriate corporate governance policies for the Group;
- critically review the Group's performance against its corporate governance policies; and
- support and advise the Board to fulfil its obligations in relation to safety and sustainability.

### **Remuneration policies and practices**

Details about EXL's remuneration strategy, framework, policies and practices are set out in the Remuneration Report which clearly distinguishes the structure of Non-Executive Directors' remuneration from that of the Executive Key Management Personnel.

EXL's Remuneration Report is set out from page 30 to 38 of the Annual Report, located on EXL's website at [www.elixinolglobal.com/site/investor/annual-and-financial-reports](http://www.elixinolglobal.com/site/investor/annual-and-financial-reports)

### **Policy on hedging equity-based incentive schemes**

EXL's Securities Trading Policy prohibits those employees who participate in any employee or executive incentive plans from hedging the value of restricted shares and unvested securities granted under such plans. Breaches of this prohibition will result in awards being forfeited by the relevant employee. EXL's Securities Trading Policy is located on EXL's website at [www.elixinolglobal.com/site/About-Us/corporate-governance](http://www.elixinolglobal.com/site/About-Us/corporate-governance)

## Appendix 4G

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

Introduced 01/07/14 Amended 02/11/15

**Name of entity**

ELIXINOL GLOBAL LIMITED

**ABN / ARBN**

621 479 794

**Financial year ended:**

31 December 2018

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:  
<https://www.elixinolglobal.com/site/investor/investor-centre-home>

The Corporate Governance Statement is accurate and up to date as at 27 March 2019 and has been approved by the board.

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

Date: 27 March 2019

Name of Director or Secretary authorising lodgement: Ron Dufficy, Company Secretary

---

<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 checked="" type="checkbox"/> in our Corporate Governance Statement which is available at this URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</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 checked="" type="checkbox"/> the Board Charter is located at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a 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 checked="" type="checkbox"/> in our Corporate Governance Statement which is available at this URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at this URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

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

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		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>
1.4	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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Board Charter is located at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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 which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> the Diversity Policy is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></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 which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a></p> <p>... and the information referred to in paragraphs (c) (2) not applicable:</p>	<p>... and the information referred to in paragraphs (c)</p> <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a></p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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>
1.6	<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 checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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 checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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 checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> the Remuneration and Nomination Committee Charter is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a></p> <p>and</p> <p><input checked="" type="checkbox"/> in our 2018 Annual Report which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/annual-and-financial-reports">https://www.elixinolglobal.com/site/investor/annual-and-financial-reports</a></p> <p>Paragraph (b) does not apply.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>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>	<p>... our board skills matrix:</p> <p><input type="checkbox"/> in our Board Charter which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p> <p>...and the diversity that the board currently has:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement which is available at the following URL on our website:</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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>
<p>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 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>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p> <p>Paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p> <p>... and the length of service of each director:</p> <p><input checked="" type="checkbox"/> in our 2018 Annual Report which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/annual-and-financial-reports">https://www.elixinolglobal.com/site/investor/annual-and-financial-reports</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<p>2.4 A majority of the board of a listed entity should be independent directors.</p>	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [<i>insert location</i>]</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p>
<p>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>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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	<p>A listed entity should:</p> <p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	<p>... our code of conduct or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p> <p><input checked="" type="checkbox"/> the Code of Conduct is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> the Audit &amp; Risk Committee Charter is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p> <p>... and the information referred to in paragraphs (4):</p> <p><input checked="" type="checkbox"/> in our 2018 Annual Report which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/annual-and-financial-reports">https://www.elixinolglobal.com/site/investor/annual-and-financial-reports</a></p> <p>... and the information referred to in paragraphs (5):</p> <p><input checked="" type="checkbox"/> in our 2018 Annual Report which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/annual-and-financial-reports">https://www.elixinolglobal.com/site/investor/annual-and-financial-reports</a></p> <p>Paragraph (b) is not applicable.</p>	<p>... the fact that we have an audit committee that does not comply with paragraph (2):</p> <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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>
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a> .	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
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.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a> .	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <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: <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>	<p>... our continuous disclosure compliance policy or a summary of it:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</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.	<p>... information about us and our governance on our website:</p> <input checked="" type="checkbox"/> at <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</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.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a> .	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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>
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>... our policies and processes for facilitating and encouraging participation at meetings of security holders:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website:  <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><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</p>
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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website:  <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit and risk committee that complies with paragraph (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website:  <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> the Audit &amp; Risk Committee Charter is available at  <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website:  <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>  and</p> <p><input checked="" type="checkbox"/> in our 2018 Annual Report which is available at the following URL on our website:  <a href="https://www.elixinolglobal.com/site/investor/annual-and-financial-reports">https://www.elixinolglobal.com/site/investor/annual-and-financial-reports</a></p> <p>Paragraph (b) is not applicable.</p>	<p>... the fact that we don't have an audit committee that complies with paragraph (1)</p> <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	... 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: <input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a> . ... and that such a review has taken place in the reporting period covered by this Appendix 4G: <input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a> .	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	the entity complies with paragraph (b): ... the entity does not have an internal audit function, and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes: <input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a> .	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.4	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.	... 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: <input checked="" type="checkbox"/> in our 2018 Annual Report which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/annual-and-financial-reports">https://www.elixinolglobal.com/site/investor/annual-and-financial-reports</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[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 checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> the Remuneration and Nomination Committee Charter is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p> <p>and</p> <p><input checked="" type="checkbox"/> in our 2018 Annual Report which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/annual-and-financial-reports">https://www.elixinolglobal.com/site/investor/annual-and-financial-reports</a></p> <p>Paragraph (b) does not apply.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<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 checked="" type="checkbox"/> in our 2018 Annual Report which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/annual-and-financial-reports">https://www.elixinolglobal.com/site/investor/annual-and-financial-reports</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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 checked="" type="checkbox"/> in our Corporate Governance Statement which is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p> <p><input checked="" type="checkbox"/> the Securities Dealing Policy is available at the following URL on our website: <a href="https://www.elixinolglobal.com/site/investor/investor-centre-home">https://www.elixinolglobal.com/site/investor/investor-centre-home</a>.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>