



2022 Corporate Governance Statement

The Board of Roto-Gro International Limited (**Company**) 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 the ASX Corporate Governance Council ("**Recommendations**").

The Board has adopted the following suite of corporate governance policies and procedures which are available on the Company's website at www.rotogro.com.au.

- Board Charter
- Code of Conduct
- Diversity Policy
- Privacy Policy
- Whistleblower Policy
- Anti-bribery & Corruption Policy
- Audit and Risk Committee Charter
- Continuous Disclosure Policy
- Remuneration and Nomination Committee Charter
- Securities Trading Policy
- Shareholder Communication Policy

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 has been through a period of uncertainty and change in FY2022 and beyond. The Company is in the process of reforming and will update its governance policies and procedures and seek to operate in a way consistent with best practice governance.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 1: Lay solid foundations for management and oversight		
Recommendation 1.1 A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	YES YES	The role of the Board is to approve the strategic direction of the Company, guide and monitor the management of the Company and its businesses and oversee the implementation of appropriate corporate governance with respect to the Company's affairs. The Board has a formal Board Charter which is available on the Company's website. The Board Charter sets out those matters expressly reserved for the Board's determination and those matters delegated to management.
Recommendation 1.2 A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive, or putting someone forward for election, as a Director; and (b) provide security holders with all material information relevant to a decision on	YES	The Company has guidelines for the appointment and selection of the Board which require the Board to undertake appropriate checks before appointing a person or putting forward to security holders a candidate for election, as a Director. The Company provides shareholders with all material information relevant to a decision on whether or not

whether or not to elect or re-elect a Director.	YES	to elect or re-elect a Director will be provided to security holders in a Notice of Meeting pursuant to which the resolution to elect or re-elect a Director will be voted on.
Recommendation 1.3 A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.	YES	
Recommendation 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.	YES	The Board is supported by the Company Secretary, whose role includes supporting the Board on governance matters, assisting the Board with meetings and directors' duties, and acting as an interface between the Board and senior executives. The Board and individual Directors have access to the Company Secretary. Under the Company's governance framework, the Company Secretary is accountable to the Board, through the Chair, on all matters regarding the proper functioning of the Board. The Board is responsible for the appointment of the Company Secretary.
Recommendation 1.5 A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: 1) the measurable objectives set for that period to achieve gender diversity; 2) the entity's progress towards achieving those objectives; and 3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	YES NO NO	The Company has adopted a Diversity Policy which can be viewed on the Company's website. Given the period of uncertainty and change in FY2022 and beyond, and that the Company's operations have been significantly curtailed, the Company has not sought to set objectives.
Recommendation 1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual Directors; and (b) disclose for each reporting period, whether a performance evaluation has been undertaken in the reporting period in accordance with that process during or in respect of that period.	YES YES	The Nomination Committee function is undertaken by the full Board. The Board is committed to formally evaluate its performance and individual Directors, as well as the governance processes supporting the Board. The Board does this through an annual assessment process. Given the period of uncertainty and change in FY2022 and beyond, and that the Company's operations have been significantly curtailed, the Company has not completed formal evaluations.

<p>Recommendation 1.7 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose in relation to each reporting period, whether a performance evaluation has been undertaken in the reporting period in accordance with that process during or in respect of that period.</p>	<p>YES</p> <p>YES</p>	<p>The Company's full Board is responsible for evaluating the performance and remuneration of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the <i>Corporations Act 2001</i> (Cth)) other than a non-executive Director.</p> <p>Given the period of uncertainty and change in FY2022 and beyond, and that the Company's operations have been significantly curtailed, the Company has not completed formal evaluations.</p>						
<p>Principle 2: Structure the board to be effective and add value</p>								
<p>Recommendation 2.1 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 balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.</p>	<p>NO</p> <p>YES</p>	<p>The Company's Remuneration and Nomination Committee Charter provides for the creation of a Committee, with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director. The Nomination Committee Charter is available on the Company's website.</p> <p>Due to the events of 2022 and beyond along with the size of the existing Board and the magnitude of the Company's operations, the Company has not established a Nomination Committee. Pursuant to the Company's Board Charter, the full Board carries out the duties that would ordinarily be assigned to the Nomination Committee in accordance with the Charter of the Committee.</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>NO</p>	<p>Given the period of uncertainty and change in FY2022 and beyond, and that the Company's operations have been significantly curtailed, the Company has not completed a formal skills matrix assessment.</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 (3rd Edition), but the board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each Director</p>	<p>YES</p> <p>YES</p> <p>YES</p>	<p>An independent director is a Non-Executive Director who is not a member of management and is free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of judgement.</p> <p>The Board's assessment of each current Director is set out below.</p> <table border="1" data-bbox="858 1960 1428 2076"> <thead> <tr> <th>Name</th> <th>Position</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>Mr Michael Carli</td> <td>Non-Executive Chairman</td> <td>Not Independent</td> </tr> </tbody> </table>	Name	Position	Status	Mr Michael Carli	Non-Executive Chairman	Not Independent
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		<table border="1"> <tr> <td></td> <td>appointed 18 August 2016</td> <td></td> </tr> <tr> <td>Mr Terry Gardiner</td> <td>Non-Executive Director appointed 30 June 2019</td> <td>Independent</td> </tr> <tr> <td>Mr Peter Hatful</td> <td>Non-Executive Director appointed 19 April 2022</td> <td>Independent</td> </tr> </table> <p>The Board has considered the holdings of shares in the Company by the independent Non-Executive directors and is of the opinion that their respective interests in shares would not materially interfere with, or could be reasonably perceived to interfere with, the independent exercise of his judgement in his position as a Director.</p> <p>The Board also considers that the independent Non-Executive Directors are/were otherwise free from any business or other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of his judgement, and that as Directors, they are/were able to fulfil the roles of independent Director for the purposes of the ASX Recommendations.</p>		appointed 18 August 2016		Mr Terry Gardiner	Non-Executive Director appointed 30 June 2019	Independent	Mr Peter Hatful	Non-Executive Director appointed 19 April 2022	Independent
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Mr Terry Gardiner	Non-Executive Director appointed 30 June 2019	Independent									
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<p>Recommendation 2.4 A majority of the board of a listed entity should be Independent Directors.</p>	YES										
<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>	NO	<p>The current Chair, Mr Michael Carli, is a non-independent Non-Executive Director and is not the CEO of the Company.</p> <p>The Company does not have a CEO.</p> <p>The Board recognises the recommendation that role of Chair is best fulfilled by an independent Director, however the Company's current size and circumstance dictate that the current situation is the most efficient mode of operation at the current time.</p> <p>The current Board composition reflects an appropriate balance of skills, expertise, and experience to fulfil its obligations to act in the best interests of the Company and all stakeholders. The Board also considers that there are appropriate safeguards in place including policies and protocols to ensure independent thought and decision making.</p> <p>The Board will consider the Recommendations in assessing any future changes in Board composition.</p>									
<p>Recommendation 2.6 A listed entity should have a program for inducting new Directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as a Director effectively.</p>	YES	<p>In accordance with the Company's Board Charter, the Board is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. The Company Secretary is responsible for facilitating inductions and professional development.</p> <p>New Directors are provided with copies of all relevant documents and policies governing the Company's</p>									

		business, operations, and management, at the time of joining the Board. All Directors are provided, as and when required, with ongoing professional development and training opportunities to enable them to develop and maintain their skills and knowledge. Directors are also encouraged to personally undertake appropriate training and refresher courses as appropriate to maintain the skills required to discharge their obligations to the Company.
Principle 3: Instil a Culture of acting Lawfully, Ethically and Responsibly		
Recommendation 3.1 A listed entity should articulate and disclose its values	NO	The Company does not currently have a formal statement of values. The Board will review this recommendation in due course.
Recommendation 3.2 A listed entity should: (a) have and disclose a code of conduct for its Directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	YES YES	The Board recognises the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Board has adopted a Code of Conduct. The Code of Conduct can be found on the Company's website.
Recommendation 3.3 A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	YES YES	The Whistleblower Policy demonstrates that the Company is committed to the highest standards of conduct and ethical behaviour in all its business activities. The policy sets out, amongst other things, instances of suspected misconduct which can be reported to the internal and external parties and summarises the protections offered to whistleblowers. The Whistleblower Policy is available on the Company's website.
Recommendation 3.4 A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	YES YES	The Anti-Bribery and Corruption Policy demonstrates that the Company is committed to maintaining high standards of integrity and accountability in conducting its business. The policy provides a framework of guidelines and principles to encourage ethical behaviour in the conduct of business. The Anti-Bribery and Corruption Policy is available on the Company's website.

Principle 4: Safeguard the integrity of corporate reports

<p>Recommendation 4.1</p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are Non-Executive Directors and a majority of whom are Independent Directors; and</p> <p>(ii) is chaired by an Independent Director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the relevant qualifications and experience of the members of the committee; and</p> <p>(v) 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 financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>NO</p> <p>NO</p> <p>YES</p> <p>NO</p> <p>NO</p> <p>YES</p>	<p>The Company's Audit and Risk Committee Charter provides for the establishment of an Audit and Risk Committee, with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director who is not the Board Chair. The Audit and Risk Committee Charter is available on the Company's website.</p> <p>Due to the events of 2022 and beyond along with the size of the existing Board and the magnitude of the Company's operations, the Company has not established an Audit and Risk Committee.</p> <p>In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter.</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 appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>NO</p>	<p>The CEO and Chief Financial Officer (CFO) are required to provide an annual declaration to the Board prior to the Board's approval of the Company's full year financial results.</p> <p>As disclosed in the financial statements the records of the Company are incomplete following the liquidation of some the group companies, a declaration was given to the Company in that context.</p>
<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>	<p>YES</p>	<p>Any periodic corporate report the company releases to the market that is not audited or reviewed by an external auditor is reviewed and approved by the Board so that it is satisfied the report in question is materially correct, balanced and provides investors with appropriate information to make an informed investment decision. Following review by the Board of Directors the report is formally approved prior to release.</p>

Principle 5: Make timely and balanced disclosure		
<p>Recommendation 5.1</p> <p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	YES	<p>The Company is committed to providing information to shareholders and to the market in a manner that is consistent with the meaning and intention of the ASX Listing Rules and the Corporations Act.</p> <p>The Continuous Disclosure Policy can be found on the Company's website. This Continuous Disclosure Policy sets out the key obligations of directors and employees in relation to the Company's continuous disclosure requirements.</p> <p>The Board has overarching responsibility for compliance with continuous disclosure obligations and Board approval is required for certain key matters (as set out in the Continuous Disclosure Policy) and matters may be referred to the Board for approval by the CEO or the Company Secretary.</p> <p>The Board is committed to the promotion of investor confidence by ensuring that trading in the Company's securities takes place in an efficient, competitive, and informed market and in compliance with our Securities Trading Policy (as applicable). In accordance with continuous disclosure obligations under the ASX Listing Rules, the Company has procedures in place to ensure that all price sensitive information is identified, reviewed by management, and disclosed to the ASX in a timely manner.</p>
<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	<p>The Company ensures that its Board receives copies of all material market announcements prior to release to the market followed by immediate notification following each release to the market.</p>
<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	<p>The Company ensures that all substantive presentations are released to the market to enable security holders the opportunity to participate in the presentation.</p>
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>	NO	<p>Information about the Company and its corporate governance policies will be available on its website and via the ASX website. The website is currently being updated.</p>
<p>Recommendation 6.2</p> <p>A listed entity should have an investor relations program that facilitates effective two-way communication with investors.</p>	NO	<p>During the period of uncertainty and change in FY2022 and beyond, including its suspension from trading on ASX, the Company's operations have been significantly curtailed along with its investor relations activities.</p> <p>The Company's Shareholder Communications Policy is available on its website.</p>

		The Company will update its governance policies and plans including bringing its Risk Register up to date as it progresses its project to reform.
<p>Recommendation 7.3</p> <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	<p>NO</p> <p>YES</p>	<p>The Company did not have an internal audit function during the financial year. Due to the size of the Company, the Board did not consider it necessary to have an internal audit function.</p> <p>The Company will employ the following process for evaluating and continually improving the effectiveness of its risk management and internal control processes:</p> <ul style="list-style-type: none"> the Board will monitor the need for an internal audit function having regard to the size, location and complexity of the Company's operations; the Board will periodically undertake an internal review of financial systems and processes where systems are considered to require improvement these are developed; and the Board will review risk management and internal compliance procedures at each Board meeting and will monitor the quality of the accounting function.
<p>Recommendation 7.4</p> <p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	YES	The Company is not subject to any particular or significant single economic, environmental and social risk.
<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>NO</p> <p>NO</p> <p>YES</p> <p>N/A</p> <p>N/A</p> <p>YES</p>	<p>The Company's Remuneration and Nomination Committee Charter provides for the creation of a Remuneration and Nomination Committee, with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director. The Remuneration Committee Charter is available on the Company's website.</p> <p>Due to the size and nature of the existing Board and the magnitude of the Company's operations, the Company does not currently have a Remuneration Committee. Pursuant to the Company's Board Charter, the full Board carries out the duties that would ordinarily be assigned to the Remuneration Committee under the Committee's Charter.</p>
<p>Recommendation 8.2</p> <p>A listed entity should separately disclose its policies and practices regarding the remuneration of Non-Executive Directors and the remuneration of Executive Directors and other Senior Executives.</p>	YES	The Board is currently responsible for determining and reviewing remuneration policies for the directors and senior executives. If necessary, it can obtain independent advice on the appropriateness of remuneration packages given trends in comparable companies and in accordance with the objectives of the Company.

		<p>Details of the Company's remuneration practices for its Directors and senior executives are disclosed in the Remuneration Report in the Company's Annual Report. Separate disclosure regarding the remuneration of the Company's directors (executive and non-executive) is disclosed in the Company's 2022 Annual Report.</p>
<p>Recommendation 8.3 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>N/A</p>	<p>The Company does not have an equity-based remuneration scheme. The Company's Corporate Governance Plan prohibits Key Management Personnel entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme. Further information is included in the Company's Trading Policy, which is part of the Company's Corporate Governance Plan and is available on the Company's website.</p>