

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Peet Limited

ABN / ARBN:

56 008 665 834

Financial year ended:

30 June 2018

Our corporate governance statement² for the above period above can be found at:³

These pages of our annual report:

This URL on our website: www.peet.com.au/corporate-governance-statement-2018

The Corporate Governance Statement is accurate and up to date as at 23 August 2018 and has been approved by the board.

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

Date: 23 August 2018

Name of Director or Secretary authorising
lodgement: Dom Scafetta



¹ 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.

² "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.

³ 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 ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
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 <u>OR</u> <input type="checkbox"/> at ... 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"/> at www.peet.com.au/corporate-governance-statement-2018	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

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

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at www.peet.com.au/corporate-governance-statement-2018</p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<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 <u>OR</u></p> <p><input type="checkbox"/> at</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p> <p>... and a copy of the charter of the committee:</p> <p>X at www.peet.com.au/corporate-governance-statement-2018</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p>X in our Corporate Governance Statement <u>OR</u></p> <p>X at this location: Directors' Report in the Annual Report</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p>X an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<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>X in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at ... and, where applicable, the information referred to in paragraph (b): <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at www.peet.com.au/corporate-governance-statement-2018</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at this location: Directors' Report in the Annual Report</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at www.peet.com.au/corporate-governance-statement-2018</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at www.peet.com.au/corporate-governance-statement-2018	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at www.peet.com.au/corporate-governance-statement-2018</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at this location: Directors' Report in the Annual Report</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p> <p>[If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p>X in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p>X in our Corporate Governance Statement OR</p> <p>X at this location: Directors' Report in the Annual Report</p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at www.peet.com.au/corporate-governance-statement-2018</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at this location: Directors' Report in the Annual Report</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at this location: Directors' report in the Annual Report</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<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 <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Outlined below are the main corporate governance policies and practices in place during the financial year ended 30 June 2018 (“FY18”). Unless otherwise stated, these are consistent with the 3rd edition of the ASX Corporate Governance Council’s Principles and Recommendations released in March 2014 (ASXCGC Recommendations) and [copies of relevant charters, codes and policies](#) are available on our website.

This statement should be read in conjunction with the 2018 Annual Report.

1 Management and Oversight

1.1 Roles of the Board

ASXCGC Recommendation 1.1

The Board of Directors is responsible for the corporate governance structures and practices of the Group.

The [Board Charter](#) sets out the matters reserved to the board and those delegated to management. Under the Board Charter, the Board’s responsibilities include:

- setting strategic direction of the Group and monitoring management’s performance within that framework;
- ensuring there are adequate resources available to meet the Group’s objectives;
- appointing and removing the Managing Director and Chief Executive Officer and overseeing succession plans for the senior executive team;
- approving and monitoring financial reporting and capital management;
- approving and monitoring the progress of business objectives;
- ensuring that any necessary statutory licences are held and compliance measures are maintained to ensure compliance with the law and licence(s);
- ensuring that adequate risk management procedures are in place;
- ensuring that the Group has appropriate corporate governance structures in place, including standards of ethical behaviour; and
- ensuring that the Board is and remains appropriately skilled to meet the changing needs of the Group.

1.2 Board Appointments

ASXCGC Recommendations 1.2, 1.3

The Nomination Committee assists the Board with the selection and appointment of Directors, and will ensure that appropriate background checks are undertaken prior to putting a candidate forward for election.

Shareholders are provided with information regarding a director’s relevant background to assist them in their decision whether or not to elect or re-elect a director.

It has not been the Company’s practice to have written agreements with each director as it considers the role and responsibilities of directors is adequately covered under the relevant charters.

The Company has written agreements with each senior executive setting out the terms of their appointment.

1.3 Company Secretary

ASXCGC Recommendation 1.4

The Group Company Secretary is the Secretary of the Board, and is accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.

1.4 Diversity

ASXCGC Recommendation 1.5

The Board recognises the benefits that arise from employee and board diversity and, as required by the ASXCGC Recommendations, has adopted a [Diversity Policy](#) (the Policy).

In the Policy, “Diversity” includes, but is not limited to, gender, age, ethnicity, sexual orientation, disability and cultural background. The Policy also requires that the Board establish measurable objectives for gender diversity.

The ASXCGC Recommendations recommend that companies disclose annually their measurable objectives for achieving gender diversity, their progress towards achieving those objectives and, as a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”.

The Company’s gender diversity objectives and progress towards achieving those objectives are detailed below.

Objective	Progress
Increase the percentage of women in management roles to 40% by 2020.	As at the date of the Group’s Workplace Gender Equality Report, this percentage was 29.17%. The number has reduced from previous years due to the reclassification of certain managerial roles to supervisory roles in accordance with WGEA guidelines.
Pay equality to be reviewed annually.	Undertaken in accordance with annual objective.
Annual resource planning sessions with divisional managers to discuss succession planning and staff resourcing.	Undertaken in accordance with annual objective.
During each director and executive selection and	The Company meets the objective.

Objective	Progress
appointment process, the Board will aim to consider a diverse pool of candidates.	
Continue to assess and provide for flexible working arrangements and family support programs that balance the needs of employees with families and those of the Company.	The Company meets the objective.
Establish a program which requires senior employees to continue to stay in touch with employees on parental leave on a regular basis and provide assistance to help them successfully transition back to work.	The Company meets the objective.

In addition to the organisation monitoring progress against the Diversity objectives, Peet also complies with the annual reporting requirements set by the Workplace Gender Equality Agency which requires the annual submission of a workplace profile covering six gender equality indicators.

The workplace profile gives a granular view of gender diversity performance and assists organisations to develop strategies to improve gender equality.

The Company's most recent 'Gender Equality Indicators' are set out in its most recent [Workplace Gender Equality Report](#).

1.5 Performance Assessment

ASXCGC Recommendation 1.6

The Board undergoes periodic formal assessments as and when considered appropriate, and informal self assessment on an ongoing basis.

The formal assessment process generally involves the appointment of an independent, third party consultant to facilitate the process and typically includes the requirement for each director to complete a questionnaire and to be interviewed by the third party consultant. Matters assessed may include the role, composition, procedures, practices and behaviour of the Board, its committees and their members.

This is then generally followed by a facilitated workshop at which the Directors discuss the findings from the questionnaires and interviews and agree on a program of actions.

The final part of the process may involve individual feedback sessions facilitated by the independent third party consultant.

The Board commenced its most recent formal performance assessment during the 2018 financial year. Refer to Section 7 for details of performance assessments undertaken for senior executives.

2 Board Structure

2.1 Nomination Committee

ASXCGC Recommendation 2.1

The Company has appointed a Nomination Committee which currently comprises the full board.

While the composition of the Nomination Committee does not meet the requirements of the ASXCGC Recommendation which states that a majority of members of the Committee should be independent, and that it also be chaired by an independent director, the Directors consider that this is currently the most appropriate composition.

The [Nomination Committee Charter](#) provides further detail on the composition of the Committee, the running of Committee meetings, the Committee's primary duties and the process followed in the appointment of new directors.

The Nomination Committee charter requires the Committee to meet periodically, as and when required, and it held two meetings during the year.

Details of Directors' attendance at the Nomination Committee meetings held during the year ended 30 June 2018 is set out at item 10 in the 2018 Directors' Report.

2.2 Directors' skills and experience

ASXCGC Recommendation 2.2

The Company strives to have a Board with an appropriate mix of skills and experience in order to discharge its duties effectively.

Details of the members of the Board, their experience, expertise, qualifications and independent status are set out below and in the Board of Directors section of the 2018 Annual Report.

The overall skills and experience required to competently discharge the Board's duties, having regard to Peet's strategic direction and the diversity aspirations of the Board is periodically assessed.

Below is a summary of a skills matrix setting out the diverse skills the Board currently has:

SKILLS AND EXPERIENCE	TOTAL DIRECTORS	DIRECTORS WITH EXPERIENCE
Property	6	3
Leadership and Governance	6	6
Operations	6	6
Finance, risk & legal	6	6
People	6	6

2.3 Directors' independence

ASXCGC Recommendations 2.3, 2.4

As at the date of this report the Board comprised of five non-executive directors (including three independent directors) and one executive director.

The Board assesses the independence of Non-Executive Directors upon appointment and reviews their independence as needed in accordance with the factors relevant to assessing the independence of a director as set out in the ASXCGC Recommendations.

The current composition of the Board does not meet the ASXCGC Recommendation to comprise a majority of independent directors.

Mr Tony Lennon who is (indirectly) the largest shareholder in the Company and the Non-executive Chairman, is not independent. He has been a director of the Company since 1985.

Mr Brendan Gore as the Managing Director and Chief Executive Officer of Peet is an Executive Director. He has been a director of Peet since 2007.

Mr Trevor Allen is considered independent in accordance with the factors relevant to assessing the independence of a director as set out in the ASXCGC Recommendations. He has been a director of Peet since 2012.

Ms Vicki Krause is considered independent in accordance with the factors relevant to assessing the independence of a director as set out in the ASXCGC Recommendations. She has been a director of Peet since 2014.

Mr Robert McKinnon is considered independent in accordance with the factors relevant to assessing the independence of a director as set out in the ASXCGC Recommendations. He has been a director of Peet since 2014.

Mr Anthony Lennon is not considered independent in accordance with the factors relevant to assessing the independence of a director as set out in the ASXCGC Recommendations. He has been a director of Peet since 1994.

2.4 Chairman and Managing Director

ASXCGC Recommendation 1.1, 2.5

Mr Tony Lennon, the Non-executive Chairman is not independent, however, the Board continues to believe that due to the wealth of experience in the Group's business sector and knowledge of the Group's business that he brings to the Board, he is currently the most suitable person to occupy the position of Chairman. The Chairman is responsible for:

- leading the Board in its duties to the Group;
- ensuring there are processes and procedures in place to evaluate the performance of the Board, its committees and individual directors;

- facilitating effective discussions at Board meetings; and
- ensuring effective communication with shareholders.

Mr Brendan Gore is the Managing Director and Chief Executive Officer of Peet.

The Managing Director's responsibilities include:

- strategy and policy direction of the operations of the Group;
- the efficient and effective operation of the Group;
- ensuring the Board is provided with accurate and clear information in a timely manner to promote effective decision-making; and
- ensuring all material matters affecting the Group are brought to the Board's attention.

2.5 Director induction and training

ASXCGC Recommendation 2.6

New directors are expected to undertake a due diligence process before agreeing to join the Board. This process includes having direct access to existing Board members and various senior managers of the Group.

This process allows new directors to obtain a sufficient understanding of the Group's business to allow them to adequately discharge their responsibilities.

The Group does not currently offer formal professional development programs to non-executive directors, but encourages them to seek attendance at various industry and professional seminars.

3 Code of Conduct

ASXCGC Recommendation 3.1

The Board believes that the success of the Group has been, and will continue to be, enhanced by a strong ethical culture within the organisation.

To reinforce the importance of ethical standards, the Board has embraced policies to ensure that all directors, executives and employees act with the utmost integrity and objectivity in their dealings with all people that they come in contact with during their tenure with the Group. The various charters and policies are periodically reviewed and updated as necessary to ensure they reflect appropriate standards of behaviour and professionalism and the practices necessary to maintain confidence in the Company's integrity.

Employees are required to report violations of the [Code of Conduct and Ethics](#) to their immediate supervisor, or to a Whistleblower Protection Officer, in accordance with the Company's Whistleblower Policy.

The [Whistleblower Policy](#) contains procedures to ensure employees are not disadvantaged for reporting violations of the Code or other unethical conduct.

4 Corporate Reporting

4.1 Audit and Risk Management Committee

ASXCGC Recommendations 4.1, 7.1

The purpose of the Audit and Risk Management Committee is to review and monitor the financial affairs of the Company and to ensure there are adequate policies in place in relation to risk management, compliance and internal control systems.

Under its [charter](#), the Audit and Risk Management Committee consists of a minimum of three directors with a majority of independent directors. The Board selects the chairperson of the Audit and Risk Management Committee.

The Audit and Risk Management Committee will consider any matters relating to the financial affairs of Peet and any other matter referred to it by the Board.

The Audit and Risk Management Committee charter requires the committee to meet at least three times a year and it held seven meetings during the year.

The members of the Committee from 1 July 2017 up to the date of this report were:

- Mr T J Allen (Chairman);
- Mr A J Lennon; and
- Mr R J McKinnon.

At the discretion of the Committee, the external auditor and other members of the Board and management are invited to Committee meetings as and when considered appropriate.

The external auditors were invited to attend all meetings held during the year.

The Group Company Secretary acts as secretary to the Committee and attends its meetings.

Details of the above Directors' attendance at Audit and Risk Management Committee meetings are set out at item 10 in the 2018 Directors' Report.

4.2 CEO and CFO Declarations

ASXCGC Recommendation 4.2

Prior to the approval of the financial report for the year ended 30 June 2018, the Chief Executive Officer and Chief Financial Officer declared to the Board:

- that in their opinion the Group's 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 a sound system of risk management and internal control which is operating effectively.

4.3 External Auditors

ASXCGC Recommendation 4.3

The external auditor is requested to attend the Annual General Meeting and be available to answer shareholders' questions about the conduct of the audit and the preparation and content of the audit report.

5 Continuous Disclosure Policy and Shareholder Communication

ASXCGC Recommendations 5.1, 6.1, 6.2, 6.3, 6.4

The Company places a high priority on communication with shareholders and is aware of the obligations it has under the *Corporations Act 2001* and the ASX Listing Rules, to keep the market fully informed of information which is not generally available and which may have a material effect on the price or value of the Company's securities.

The Company has adopted a [Continuous Disclosure and External Communications Policy](#), which establish procedures to ensure that directors and management are aware of and fulfill their obligations in relation to the timely disclosure of material price sensitive information.

The Group Company Secretary has been nominated as the person responsible for communications with the Australian Securities Exchange (ASX). This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the *Corporations Act 2001* and the ASX Listing Rules and overseeing and coordinating information disclosure to the ASX.

Information is communicated to shareholders as follows:

- The Annual and Half-yearly Financial Reports are lodged with the ASX, with the Annual Report made available for distribution to shareholders;
- Announcements of annual and interim results, results presentations and other price sensitive information are made to the ASX;
- Addresses made by the Chairman and Managing Director to the Annual General Meeting (AGM); and
- Addresses made by the Managing Director at various investor briefings, if required, are lodged with ASX.

Shareholders are entitled to attend the AGM and receive a notice of such meeting together with an explanatory memorandum of proposed resolutions (as appropriate). If shareholders cannot attend the AGM they are entitled to lodge a proxy in accordance with the *Corporations Act 2001* and Peet's Constitution.

A transcript of the addresses made by the Chairman and the Managing Director to the AGM is released to the ASX prior to the commencement of the AGM.

Additionally, all ASX announcements and other media releases are accessible via the Company's website.

The Company's security holders are able to receive communication from, and send communication to Peet and its security registry electronically.

6 Risk Management

ASXCGC Recommendations 7.1, 7.2, 7.3, 7.4

The Board recognises the importance of managing the risks associated with Peet's business operations and has adopted a formal Risk Management Plan in keeping with its [Risk Management Policy](#).

Management is responsible for the design and implementation of the risk management framework and internal control systems to manage the Company's material business risks and to report to the Board on whether those risks are being managed effectively.

Individual business units are responsible for integrating the risk management framework within their business processes and systems.

The Audit and Risk Management Committee assists the Board in its risk management oversight function, receives reports from management on the Company's material business risks and monitors the effectiveness of risk management and internal control policies.

Refer to section 4.1 for further details of the Audit and Risk Management Committee.

The Board and management review the risk management framework annually to ensure its ongoing relevance and the identification, monitoring and reporting of risks occurs on an ongoing basis. The annual review was undertaken in May 2018 and reported to the Audit & Risk Management Committee in June 2018.

While the Company does not have an internal audit function, the Risk Management Plan represents a component of the overall internal controls of Peet. Other internal controls include:

- establishing a company-wide code of conduct;
- the adoption of written policies and procedures;
- the delegation of authority across the various levels of the Company;
- establishment of reporting systems to monitor compliance;
- appointment of a compliance officer and a workplace health and safety officer;
- a network disaster recovery plan; and
- various IT-related systems across the Group.

During the year, the Audit and Risk Management Committee and the Board received periodic reports on management's ongoing monitoring of, and action plans for, material business risks.

The Group's key economic, environmental and social sustainability risks, together with the approach to managing those risks, are outlined in the 2018 Directors' Report.

7 Remuneration Committee

ASXCGC Recommendations 1.7, 8.1, 8.2

The Remuneration Committee meets as frequently as required and during the year held three meetings. The Committee operates in accordance with its [charter](#). The Remuneration Committee's membership comprises of independent directors.

The chairperson of the Remuneration Committee is the person appointed by the Board.

The members of the Committee from 1 July 2017 up to the date of this report were:

- Mr R J McKinnon (Chairman);
- Mr T J Allen; and
- Ms V Krause.

Details of the above Directors' attendance at Remuneration Committee meetings are set out at item 10 in the 2018 Directors' Report.

At the discretion of the Committee, the other members of the Board, including the Managing Director and Chief Executive Officer are invited to Committee meetings as and when considered appropriate.

The Group Company Secretary acts as a secretary to the Committee and attends its meetings.

Details of key management personnel remuneration is set out at item 12 in the 2018 Directors' Report.

As at 30 June 2018, the Company's key management personnel comprised the Directors and the following members of the Leadership Team, who report directly to the Managing Director and Chief Executive Officer:

- Chief Investment Officer;
- Chief Financial Officer; and
- Group Company Secretary.

The process for evaluating the performance of the above executives generally involves an analysis of:

- a summary of the executives' highlights for the previous 12 months;
- an assessment against the Company's values and behaviours, which is considered a mandatory aspect of the day-to-day performance and an integral part of the Company's culture;

- an assessment against personal objectives and key performance indicators; and
- an assessment of personal skills and attributes.

This performance evaluation is undertaken by the Managing Director and Chief Executive Officer.

A performance evaluation is to be undertaken for each of the aforementioned executives in respect of the year ended 30 June 2018.

The Managing Director and Chief Executive Officer has his performance assessed by the Remuneration Committee and the Board based, primarily, on various Group financial and non-financial performance criteria. The criteria are outlined in a Balanced Scorecard agreed between the Managing Director and Chief Executive Officer and the Board.

The Managing Director and Chief Executive Officer will generally also receive feedback on his performance as part of the Board's formal performance assessment process.

8 Security Trading Guidelines

ASXCGC Recommendation 8.3

The Company has adopted guidelines for dealing in securities, which:

- explains the type of conduct in relation to dealings in securities (as defined in the Corporations Act and in the Policy) that is prohibited under the Corporations Act, which is applicable to all employees of the Company and any related body corporate; and
- establishes a procedure relating to buying and selling securities that provides protection to both the Company and its employees against the misuse of unpublished information which could materially affect the value of securities.

The Company's Guidelines for Dealing in Securities prohibit the entering into of schemes by directors and employees to protect the value of unvested entitlements under any equity-based remuneration scheme.

The Company has also adopted a Whistleblower Policy which supports the commitment of the Company in creating and maintaining a culture of proper conduct and fair and honest dealing in all of its business activities.

A copy of the [Guidelines for Dealing in Securities](#) is available in the Corporate Governance section of the Company's website.