

Board Skills Matrix

The Board is responsible for the oversight of the Group and approving strategic and operating plans and performance targets. The Board also ensures that policies and systems are in place to manage risk and ensure high standards of accountability, ethical behaviour and legal compliance.

This Board Skills matrix provides a guide as to the skills, knowledge, experience and other attributes that AHF is aiming to achieve in its Board. The Board Skills Matrix is reviewed on at least an annual basis to ensure that it captures the appropriate mix of skills, experience and other attributes appropriate to the Group and its current and future plans.

The Board members should have varying backgrounds and be selected on the basis of the skills and capabilities which are needed at Board level and to fulfil various roles on the Board and on its committees.

The Board also seeks to reflect the benefits of all aspects of diversity, including regional and geographic background, race, gender and other distinctions between Directors.

1. Dairy Industry Knowledge

As a fully vertically integrated business these skill areas cover an understanding of industry structure, the global dairy market and pricing, international trade, domestic and international competitors, environmental aspects and consumption trends.

2. Farms and Processing

A broad understanding of:

- ✓ farm systems, emerging farm technologies, animal performance (including feedbase), animal welfare and the drivers of farm management and profitability; and
- ✓ dairy processing, product development and dairy processing innovation, quality assurance and food safety, warehousing & logistics, sales and marketing channels and strategies.

3. Strategy and Planning

Ability to think strategically and evaluate strategic plans and opportunities, identify threats and develop effective strategies. Ability to anticipate future developments and innovations as they may apply to the Group or the dairy industry and expertise in developing strategies to achieve business objectives.

4. Finance and Governance

A strong understanding of finance, business case evaluation and corporate governance is required. Qualifications and experience in accounting and/or finance including:

- ✓ Analyse key financial statements;
- ✓ Critically assess financial viability, capital requirements and performance;
- ✓ Oversee budgets, funding arrangements and efficient use of resources;
- ✓ Evaluate financial processes and accountability.

5. Risk and Compliance

Ability to identify key internal and external risks applicable to the business including agriculture, dairy processing, food safety, environmental/culture change, Australian Securities Exchange

(ASX) and Australian Financial Services Licence (AFSL) holder compliance and to review and monitor risk and compliance management frameworks and systems.

6. Board Experience

Experience as a director of a company, preferably an ASX listed company and an understanding of the compliance requirements for an ASX listed entity including financial reporting, shareholder approval and meeting requirements. Expertise is also needed in appointing and evaluating the performance of the CEO and senior managers and in remuneration principles.

7. Capital Markets & Mergers and Acquisitions

Knowledge and experience in equity and other financial markets, preferably in the agriculture/FMCG (fast moving consumer goods) industry. Strong quantitative skills for market analysis and qualitative skills for market interpretation. Experience in investor relations and mergers and acquisitions also desirable.

8. International Business

Experience in trade and international markets particularly China and other net importers of dairy products. Understanding of business practises and cultural sensitivities in key markets as well as the regulatory, political and operational environment.

9. Skills Matrix

The below table sets out the skills matrix for the Board as at 31 August 2020:

Name	Independence	Tenure	Gender	Skills, Knowledge and Experience							
				Dairy Industry	Farms/ Processing	Strategy/ Planning	Finance/ Governance	Risk/ Compliance	Board Experience	Capital Markets/ M&A	Int'l Business
Martin Bryant	Y	10 mths	M			√	√	√	√	√	√
Peter Skene	N	4 yrs	M	√	√		√	√			
Michael Hackett	N	11 yrs	M				√		√	√	
Paul Morrell	N	2.5 yrs	M		√	√		√			
Adrian Rowley	Y	9 yrs	M				√			√	