



Independent Committee Charter

December 2021



1. ROLE OF THE COMMITTEE

- 1.1 The Independent Committee (“Committee”) of the Board of Ricegrowers Limited (“Company”) has been established to assist the Board in discharging its responsibilities on a range of matters for the Company and its related bodies corporate (“Group”) in relation to which Grower Directors may have an actual or perceived material conflict of interest, such as:
- 1.1.1 crop planning decisions(e.g. pricing for fixed price contracts, volumes, the processes for fixed price contracts and pool contracts to be entered into);
 - 1.1.2 determinations as to critical years;
 - 1.1.3 determinations as to whether a supplement will be paid from the profit business to the rice pool business;
 - 1.1.4 the issue and redemption of A Class Shares, including growers’ satisfaction of the First A Class Share Criteria and Second A Class Share Criteria.
- 1.2 The Board has delegated authority to the Committee to fulfil its responsibilities as set out in the section entitled “Role and Responsibility” and may make other delegations to the Committee from time to time.

2. ACCESS TO INFORMATION AND INDEPENDENT ADVICE BY THE COMMITTEE

- 2.1 The Committee has access through the Committee Chair to:
- 2.1.1 Management, to seek explanations and information as required.
 - 2.1.2 Independent professional advice it considers necessary to fulfil its responsibilities and to exercise independent judgment when making decisions.
 - 2.1.3 If the Chair of the Board consents, the Group will pay a Committee member’s costs of seeking independent professional advice, with the brief agreed with the Company Secretary (and Chair of the Board, if considered appropriate by the Committee). That consent may not be unreasonably withheld or delayed. Copies of the advice may be made available to, and for the benefit of, all Board members, subject to any conflicts of interest as determined by the Committee. The engagement and any advice received will be independent of Management.
 - 2.1.4 Management is responsible for the preparation, presentation and integrity of the information provided to the Committee to support decision making and effective oversight by the Committee.

3. ORGANISATION

3.1 Membership

- 3.1.1 The Committee shall comprise all of the Non-Grower Directors (including the Chief Executive Officer of the Company for as long as they are a Director and who will participate in Committee matters to the extent they are not conflicted).

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- 3.1.2 The Company Secretary shall be the Secretary of the Committee, if in attendance; otherwise the Chair of the Committee shall nominate a Secretary of the Committee.

3.2 Role of the Chair

- 3.2.1 The Committee Chair will be selected by the Committee and must be considered independent as determined by the Board.
- 3.2.2 The Committee Chair is responsible for leading the Committee and overseeing the processes for the Committee's performance of its role in accordance with this Charter.
- 3.2.3 The Committee Chair has responsibility to:
- 3.2.3.1 Foster an open, inclusive and, where appropriate, challenging discussion by the Committee.
 - 3.2.3.2 Set the agenda with the Company Secretary, ensuring that appropriate time and attention is devoted to matters within the responsibilities of the Committee.
 - 3.2.3.3 Liaise with Management to ensure the Committee has the information necessary to enable effective decision-making.

3.3 Meetings

- 3.3.1 The Chair of the Committee shall call meetings as necessary, and at least twice per year.
- 3.3.2 The presence of one half of the members of the Committee will constitute a quorum, (or where one half is not a whole number, the whole number next higher than one- half).
- 3.3.3 Notice of the meeting, the agenda, and supporting documentation for each meeting must be given to each member of the Committee and the Secretary of the Committee within a reasonable time of each meeting.
- 3.3.4 Employees, advisors and external auditors may be invited to attend meetings.
- 3.3.5 Members should use their best endeavours to attend every meeting of the Committee which may be by telephone or videoconference, if appropriate.
- 3.3.6 The Committee may meet with representatives of external consulting firms, without Management present, as required.
- 3.3.7 In the absence of the Chair of the Committee or appointed delegate, the members shall elect one of their number as Chair for that meeting. The Chair has a casting vote in addition to a deliberative vote.

3.4 Reporting

- 3.4.1 Minutes of meetings shall be circulated to all members after approval by the Chair of the Committee.

- 3.4.2 Minutes of the Committee meetings are made available to all Directors, subject to any conflicts of interest as determined by the Committee.
- 3.4.3 The Committee Chair will provide verbal reports on Committee business at the next Board meeting and will consider if any material matters arising out of Committee Meetings should be advised to other Committees, subject to any conflicts of interest as determined by the Committee.

4. ROLES AND RESPONSIBILITIES

4.1 Crop planning decisions

- 4.1.1 Make recommendations to the Board, as required, regarding:
 - 4.1.1.1 formulating the manner in which Paddy Prices for Riverina Rice will be determined;
 - 4.1.1.2 establishing one or more Pools and determining the rules applicable to participation in those Pools;
 - 4.1.1.3 setting a fixed or minimum Paddy Prices for all or a set volume of Riverina Rice, including premium or discount amounts payable for particular varieties of Riverina Rice; and
 - 4.1.1.4 offering different Paddy Price payment options to Growers.
- 4.1.2 Consider the Board's proposal to pay a Modified Paddy Price, and, if considered appropriate, formulate and recommend a Modified Paddy Price to the Board for adoption, and whether the payment of a paddy price supplement from the profit business to the rice pool business is in the best interests of SunRice A and B Class shareholders.

4.2 Determinations as to critical years under A Class Share Policy

- 4.2.1 Review current growing conditions (including weather patterns, and water availability and pricing) including against the pre-determined criteria set by the Board. The Board's pre-determined criteria will include consideration of factors including:
 - 4.2.1.1 anticipated size of crop (including consideration of the prior year's carryover volume);
 - 4.2.1.2 requirements for supply of Australian rice; and
 - 4.2.1.3 competition for alternative crops and water use.
- 4.2.2 Make a recommendation to the Board as to whether or not the Board should declare a critical year.

4.3 Issue and redemption of A Class Shares under A Class Share Policy

- 4.3.1 Undertake annual reviews to determine if there are persons who ought to be invited to apply for an A Class Share and make recommendations to the Board on

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the issue of A Class Shares to applicants.

- 4.3.2 Undertake annual reviews to determine if there are Members who no longer meet the First A Class Share Criteria and/or the Second A Class Share Criteria, and make recommendations to the Board on the redemption of an A Class Share where a Member has ceased to satisfy those criteria.
- 4.3.3 Undertake annual reviews to determine if there are circumstances under which the Board should exercise its discretion and defer redemption of a First A Class Share, and make recommendations to the Board on the deferral of redemption of a First A Class Share.
- 4.3.4 Make recommendations to the Board as to any information relating to the redemption of A Class Shares to be provided to A Class Shareholders.
- 4.3.5 Undertake annual reviews to determine if there are Members who do not hold the Minimum B Shareholding or the Additional Minimum B Shareholding and make recommendations to the Board in relation to the redemption of an A Class Share where the Member (or their Approved Entity) does not satisfy the applicable shareholding requirements.
- 4.3.6 Gather information relevant to the Board's decision on whether to redeem or defer the redemption of a First A Class Share and whether to redeem a Second A Class Share (including making a recommendation to the Board to require a grower to provide a declaration confirming various matters).
- 4.3.7 Make recommendations to the Board in relation to the redemption of A Class Shares in other circumstances.

4.4 Evaluating Performance of Committee

- 4.4.1 Evaluate the performance of the Committee against the requirements of this Charter and report the results to the Board.

4.5 Review of the Committee Charter

- 4.5.1 Review the Committee Charter periodically (and at least every two years) and recommend any amendments to the Board for approval.

4.6 Other

- 4.6.1 Perform any other responsibilities as may be delegated to it by the Board from time to time, including those that arise under the Conflict of Interest Policy.

5. Interpretation

- 5.1.1 Unless otherwise provided:
 - 5.1.1.1 capitalised terms in section 4.1 of this Policy are defined in the Company's Paddy Pricing Policy; and
 - 5.1.1.2 capitalised terms appearing elsewhere in this Policy are defined in the Ricegrowers Limited Constitution.



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DOCUMENT CONTROL

| Version | Date | Approved by | Sign-off date |
|-----------|---------------|---------------|------------------|
| Version 1 | December 2021 | SunRice Board | 16 December 2021 |