



POLICY FOR THE SELECTION AND APPOINTMENT OF DIRECTORS

1. Introduction

- 1.1 The responsibility for the selection and recommendation to the Board of potential Directors has been delegated to Clean Seas Tuna Limited’s (“Clean Seas Tuna” or the “Company”) Remuneration and Nominations Committee (“the Committee”).
- 1.2 The Committee periodically reviews the composition of the Board to ensure that the Board is of a size and composition conducive to making decisions expediently, with the benefit of a variety of perspectives and skills and in the best interests of Clean Seas Tuna and its Shareholders as a whole.
- 1.3 This Policy has been developed to ensure that the Committee is provided with guidelines for the purposes of the exercise of its delegated authority in relation to Director selection and appointment processes, in particular having regard to the following guiding principles:
 - a) the Board should consist of members with an appropriate mix of skills, diversity, experience, expertise, gender, cultural background, ethnicity and age to enable the Board to be an effective decision making body;
 - (b) a majority of the Board shall be Non-Executive Directors;
 - (c) a sufficient number of Directors should also be independent of the Company such that a majority of the Board as a whole are both Non-Executive and independent; and
 - d) the procedure for selection of members should be sufficiently flexible to meet the needs of the Company depending on its circumstances at any particular time.

2. Procedure for Selection and Appointment of New Director(s)

- 2.1 In exercising its delegated authority, the Committee shall:
 - a) assess the current Board’s competencies, skills and qualities;
 - b) give consideration to the skills regarded as important to be represented on the Board, namely (but not limited to):
 - (i) experience as a Director;
 - (ii) experience as an Executive reporting to the Board;
 - (iii) relevant business and industry experience;

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- (iv) financial experience;
 - (v) technology experience;
 - (vi) marketing experience;
 - (vii) legal and regulatory experience; and
 - (viii) corporate governance and risk management experience.
- (c) assess the future needs of the business;
- d) develop a range of selection criteria for potential Board candidate(s) (refer “Competencies Matrix”); these may include, among other things, knowledge, experience, skills, expertise, integrity, diversity, ability to make independent analytical inquiries, understanding of the Company’s business environment, willingness to devote adequate time and effort to the perceived needs of the Board;
- e) consider recommendations from shareholders, management and others as it deems appropriate;
- f) use, if considered desirable, the services of an independent executive search firm to assess the appropriateness of candidates and/or to provide or supplement the candidate list;
- g) meet with and evaluate the final potential candidates and in particular determine the extent to which potential Board candidates are (a) are likely to work constructively with the existing Directors, (b) contribute to the overall effectiveness of the Board and (c) safeguard the interests of the Company and avoid conflicts of interest;
- h) assess candidates with regard to Clean Seas Tuna’s diversity objectives; i) consider whether the potential Board candidate is likely to be appointed to any Board committees;
- j) advise potential Board candidates of the Company’s policy regarding its expectations of Directors to ensure that candidates are fully informed of such expectations including regulatory and compliance requirements; and
- k) provide the Board with a list of potential Board candidates and a recommendation, ensuring that appropriate checks are undertaken before putting forward these recommendations. These should include checks as to the person’s character, experience, education, criminal record and bankruptcy history.

2.2 The Board shall:

- a) examine and review the list of potential Board candidates provided by the Committee;
- b) authorise the Chairman to approach the desired candidate(s) and provide the Company’s draft terms of appointment for review; and
- c) appoint, if the Board so determines, the final recommended candidate to the Board in accordance with the Company’s Constitution and on the terms of the appointment agreed with the potential Board candidate.

2.3 In accordance with the Company’s Constitution, if the Board appoints a new Director during the year, that person will stand for election by shareholders at the next Annual General Meeting. Shareholders are

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provided with relevant background information on the candidate for election and the candidate is invited to give a short presentation to the Annual General Meeting in support of their election.

- 2.4 New Directors receive a formal letter of appointment which sets out their duties, the terms and conditions of appointment and expectations of the role.

3. Procedure for Re-appointment of Incumbent Director(s)

- 3.1 The Company's Constitution provides that a Director may not hold office for a continuous period in excess of 3 years or past the third Annual General Meeting following the Director's appointment without submitting for re-election.
- 3.2 Retiring Directors are subject to the selection and appointment procedures set out in the Constitution of the Company, the ASX Listing Rules and the Corporations Act.
- 3.3 Shareholders are provided with relevant background information on the retiring Director and the candidate is invited to give a short presentation to the Annual General Meeting in support of their re-election.
- 3.4 The Board (excluding the retiring Director(s)) shall:
- a) examine and review the re-election recommendation provided by the Committee;
 - b) authorise the Chairman to approach the retiring Director(s) to convey the Board's views concerning the proposed re-election of the retiring Director(s) at the next Annual General Meeting;
 - c) authorise the Company Secretary to make the appropriate arrangements in accordance with the Constitution of the Company, the ASX Listing Rules and the Corporations Act in respect of the views expressed by the Board concerning the proposed re-election of retiring Director(s); and
 - d) if the Board does not support the re-election of the retiring Director(s) at the next Annual General Meeting, instruct the Committee (if an additional director is desired to fill the vacancy to be created), to initiate the procedure provided for in clause 2 above.

4. Renewal Policy and Term of Office

- 4.1 Directors are elected for a term of three years.
- 4.2 The Board believes that it should not establish strict limits on the number of terms a Director may serve.
- 4.3 Term limits may cause the loss of experience and expertise important to the optimal operation of the Board. However, the Company's Policy on Independence of Directors indicates that length of services may in some cases be an indication that the Director is no longer independent.
- 4.4 Directors are not entitled to any retirement or similar allowance upon ceasing to be a Director for any reason.
- 4.5 There is no maximum age limit for a Director.

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5. Review of Policy

- 5.1 This Policy is subject to regular review by the Board and will be amended (as appropriate) to reflect current best practice.
- 5.2 The Policy may be amended by resolution of the Board.

6. Disclosure

- 6.1 The Board will make appropriate disclosure to shareholders in Clean Seas Tuna's Annual Financial Report of the key aspects of this Policy, including explaining any departure from the best practice recommendations set out in the Australian Securities Exchange Corporate Governance Council's Corporate Governance Principles and Recommendations.
- 6.2 This Policy is publicly available on the Company's website and may be accessed within the "Investor Information" section.

7. Who to Contact

- 7.1 Any questions relating to the interpretation of this Policy should be forwarded to the Company Secretary.

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This Policy was approved by the Clean Seas Tuna Board on 13th June 2014

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COMPETENCIES MATRIX

When considering and recommending a person for appointment as a Director, candidates will require a demonstrated ability and capability in the following areas:

1. General Competencies

- ability to make informed business decisions;
- entrepreneurial;
- can see wider picture and perspective;
- integrity in personal and business dealings;
- ability to make independent analytical inquiries; and
- willingness to devote adequate time and effort to the perceived needs of the Board.

2. Knowledge Competencies

- technology experience;
- marketing experience;
- corporate governance and risk management experience;
- understand legal, accounting, and regulatory requirements affecting the Company;
- understand responsibilities as a Director and senior Executive;
- is aware of latest business and management practices;
- understand the roles, processes and relationships of the Board and its members; and
- knows the key performance indicators of the Company and its senior management.

3. Strategic Competencies

- can see strengths and weaknesses of Companies and businesses - and how decisions will impact them;
- ability to recognise opportunities and threats in the industry;
- ability to recognise wider business and societal changes - particularly in the context of global markets;
- understanding of compatibility required between budgets and business plans and vision and strategy and have the ability to effectively monitor these budgets, plans and strategies;
- aware of change and the need for change; and
- understand the difference between governance and management issues.

4. Financial and Analytical Competencies

- can read and interpret financial reports;
- ability to think critically and to challenge proposals;
- understanding issues from different perspectives; and
- asks for and use information to make informed judgments and assessments.

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5. Character Competencies

- acts on morals and values;
- willing to act on, and remain accountable for, Board decisions;
- courage to pursue personal convictions; and
- can be objective at all times about what is best for the Company.

6. Communication Competencies

- can articulate thoughts, opinions, rationales, and points in a clear, concise and logical manner;
- is flexible and willing to change stances when necessary and appropriate;
- ability to listen, process and understand key points;
- can interact with other Board members in a group setting, both contributing to, and valuing the contributions of all members;
- ability to coach members of staff;
- ability to deal with the media – comfortable on public platforms; and
- recognise the motivations of investors, analysts, customers, competitors, employees, regulators and other groups - and communicate with them accordingly.

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