



## THE ROLE OF THE CHIEF EXECUTIVE OFFICER

### 1 Introduction

- 1.1 The Chief Executive Officer (“CEO”) is appointed by the Board of Clean Seas Tuna Limited (“Clean seas Tuna” or the “Company”).
- 1.2 The roles of the CEO and the Chairman should not be exercised by the same individual.
- 1.3 The CEO should not go on to become Chairman of the Company.
- 1.4 A former CEO will not qualify as an ‘Independent Director’ unless there has been a period of at least three years between ceasing employment with the Company and serving on the Board.
- 1.5 The powers and authority of the CEO are delegated by the Board.
- 1.6 The purpose of this document is to clearly establish the requirements necessary to undertake the role of CEO.

### 2. Compliance Undertakings

- 2.1 In exercising his role, the CEO must:
  - a) comply with all laws in the performance of his duties;
  - b) be responsible to the Board with a direct reporting line through the Chairman who in turn shall provide lawful directions including those of other Board members if so thought fit;
  - c) perform his duties properly and diligently and in a professional and courteous manner and attend to all administration and communication in a friendly and professional manner;
  - d) liaise with the Board’s Remuneration and Nominations Committee in relation to all issues of senior Executive recruitment and employment – in particular
    - o negotiating the terms and conditions of appointment of senior Executives for Board approval;
    - o appointing the senior executive team;
    - o conducting the remuneration review of all direct reports with the outcome being subsequently presented to the Remuneration and Nomination Committee for its consideration, endorsement and recommendation for adoption by the Board;
    - o subject to endorsement by the Remuneration and Nominations Committee of the quantum of the general increase to apply to senior Executives, carrying out the review on an individual basis.
    - o approving the terms and conditions of appointment of all other staff members

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- e) be responsible for the development, implementation, expansion, exploitation and commercialisation of the Company’s production capability and technical reporting; and
- f) carry out, to the satisfaction of the Board, any other general duties to be carried out by him in accordance with his Employment Agreement.

### 3. Role: - Operational

3.1 The CEO is specifically responsible for:

- a) strategically ensuring that the Company performs at the cutting edge of Aquaculture innovation as regards Bluefin tuna, ensuring that process, rigour and the management of the research program is world class;
- b) ensuring revenue growth, margins and cash management targets are met or exceeded;
- c) managing the Company’s resources efficiently and effectively and in accordance with the strategic plan, annual budget, laws and regulations;
- d) monitoring financial and operational performance and ensuring all reporting is in accordance with Board and statutory requirements;
- e) implementing a strategic, comprehensive and systematic risk management process throughout the Company to underwrite compliance with laws and regulations relating to safety, health and environment and by so doing delivering a safe workplace for all personnel;
- f) taking ownership of and driving a performance culture, focused on building replicable production;
- g) expanding the commercialisation of the Kingfish species ensuring that the Company is a supplier of choice with a reputation for quality and reliability and that there is continuous improvement in the cost of production ensuring real contribution growth from this revenue stream;
- h) developing marketing plans for Kingfish that drive customer acquisitions at optimised value;
- i) developing business plans for the commercialisation of the Bluefin Tuna business;
- j) managing shareholder and analyst expectations, keeping the ASX updated in accordance with the Corporations Act and continuous disclosure requirements;
- k) managing an ongoing capital management and capital raising program in conjunction with the Finance, Audit and Risk Management Committee of the Board;
- l) ensuring a culture of compliance generally, and specifically in relation to environmental matters;
- m) maintaining the focus on driving efficiency to ensure the Company can be a low cost, high quality producer;
- n) ensuring the effective management of the Company’s people according to and in compliance with authorised personnel policies and procedures that fully conform to current laws and regulations;
- o) ensuring strong focus on building the Company’s human capital and employee engagement; and

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- p) increasing the focus on best practice in safety and OH&S.

#### 4. Role: - Relationship with the Board and Chairman

4.1 The CEO’s role is to:

- a) establish a close, effective relationship with the Board and Chairman;
- b) interact with the Board to identify and capture new business opportunities;
- c) consult with the Chairman regarding the preparation of an annual Board calendar, and the agendas and papers for Board meetings;
- d) provide the Chairman with timely, accurate and relevant information for dissemination to the Board to enable informed consideration of the Company’s performance and prospects;
- e) perform any functions and exercise any powers delegated by the Board to the CEO;
- f) refer transactions outside delegated authority to the Board for approval; and
- g) advise the Board promptly of any adverse developments in relation to the Company and/or its legal and operating environments.

#### 5. Role: - Leadership

5.1 The CEO’s role is to:

- a) provide strong leadership to, and effective management of, the Company in order to:
  - o encourage cooperation and teamwork;
  - o build and maintain staff morale at the highest level;
  - o build and maintain a strong sense of staff identity with, and a sense of allegiance to, the Company; and
  - o instill a culture that is aligned with the Board approved corporate strategy, mission, values, objectives, policies and procedures; and fosters open communication and develops individuals’ capabilities;
- b) provide comprehensive advice and information to the Board and support the Board’s corporate governance activities;
- c) implement decisions of the Board;
- d) promote and advocate organisational and stakeholder change related to the Company mission;
- e) engage and energise the workforce to achieve optimum, sustainable performance; and
- f) encourage innovation and compliance.

#### 6. Role: Strategic Management

6.1 The CEO’s role is to:

- a) drive the development and implementation of the strategic plan;

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- b) oversee all Company operations and ensure these are aligned with and comply with the Board approved corporate strategy, mission, values, objectives, policies and procedures;
- c) monitor the external and operating environments for shifts or trends that may provide opportunities or threats for the Company and advise the Board accordingly; and
- d) ensure the Executive team works in a self confident, trusting environment; sharing information; utilising individual’s skills and removing obstacles to team performance.

## 7. CEO Performance Evaluation

- 7.1 A detailed CEO evaluation is undertaken by the Remuneration and Nominations Committee, with the process coordinated by the Chairman of the Board.
- 7.2 CEO evaluation utilises both quantitative and qualitative measures.
- 7.3 Evaluation is judged against an approved KPI statement as agreed at the commencement of each financial year with direct linkage to the Company’s strategic plan.
- 7.4 CEO evaluation occurs annually, and the results are tabled for discussion at the next Board Meeting following the evaluation. At this time the Board and CEO discuss and agree on KPI’s for the upcoming year.
- 7.5 The Remuneration and Nominations Committee prepares a brief report for the full Board after discussion with the CEO. However, the performance of the CEO is a matter for full Board deliberation and is a separate agenda item at the relevant Board Meeting.

## 8. Disclosure

- 8.1 The Board will make appropriate disclosure to shareholders in Clean Seas Tuna’s Annual Report of the key aspects of this statement on the Role of CEO, including explaining any departure from the best practice recommendations set out in the Australian Securities Exchange Corporate Governance Principles and Recommendations.

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**This Role Statement was approved by the Clean Seas Tuna Board on 16/04/2012.**

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