



## CORPORATE GOVERNANCE CHARTER

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**GOLD HYDROGEN LIMITED**

**ABN 74 647 468 899**



**Gold Hydrogen: The Gold Standard in Green Energy**

# Corporate Governance Charter

## Table of Contents

SECTION A – PRINCIPLES OF CORPORATE GOVERNANCE	4
SECTION B – STANDING RULES OF COMMITTEES	8
SECTION C – RELATED DOCUMENTS AND POLICIES	10
APPENDIX 1 – AUDIT & RISK MANAGEMENT COMMITTEE CHARTER	12
APPENDIX 2 – PEOPLE, CULTURE & RESOURCES COMMITTEE CHARTER	16
APPENDIX 3 – ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) COMMITTEE CHARTER	21
APPENDIX 4 – NOMINATIONS COMMITTEE CHARTER	24

## Definitions

<b>ASIC</b>	the Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited ABN 98 008 624 691.
<b>ASX Listing Rules or Listing Rules</b>	the Official Listing Rules of the ASX as amended or replaced from time to time.
<b>Audit &amp; Risk Management Committee</b>	that Committee charged with determining, implementing and assessing controls for financial and risk management and financial reporting generally for the Company.
<b>Board</b>	board of Directors of the Company.
<b>Charter</b>	the charter of any Committee included as part of this Corporate Governance Charter.
<b>Committee</b>	each committee created by the Board.
<b>Company</b>	Gold Hydrogen Limited ABN 74 647 468 899
<b>Company Secretary</b>	means a person appointed by the Company to be the company secretary.
<b>Code of Conduct and Business Ethics</b>	the separate Code incepted by the Board and referred to in this Charter.
<b>Corporate Governance Principles and Recommendations</b>	the <i>Corporate Governance Principles and Recommendations</i> as issued by the ASX Corporate Governance Council and as amended or replaced from time to time.
<b>Corporate Governance Charter</b>	the policies, procedures and charters set out in this document.
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth) as amended from time to time.
<b>Constitution</b>	the constitution of the Company.
<b>Diversity</b>	includes, but is not limited to, gender, age, ethnicity, religious and cultural background.
<b>Diversity and Inclusion Policy</b>	the policy developed and to be updated from time to time by the Board establishing objectives for achieving Diversity.
<b>ESG Committee</b>	the Committee charged with reviewing compliance by the Board with amongst other matters, the provisions of this document.
<b>Independent</b>	a Director who has a sufficient level of independence to the Company, determined in accordance with the Assessing the Independence of Directors Policy.
<b>Management</b>	the Executive Directors and senior management of the Company.
<b>Nominations Committee</b>	the Committee for assisting the Board in relation to the appointment of members to the Board and of senior management and in assessing the performance of such individuals.
<b>People, Culture &amp; Resources Committee</b>	the Committee charged with and reviewing, amongst other matters, remuneration levels and remuneration structuring frameworks and practices for Directors and senior management.
<b>Standing Rules</b>	the general and procedural rules of each Committee set out in this Charter.

## Section A – Principles of Corporate Governance

### A.1 Board of Directors

#### General

This document sets out the main principles adopted by the Board of Directors of the Company in order to implement and maintain a culture of good corporate governance both internally and in its dealings with outsiders.

The Board of the Company is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

The matters set out in this document may be subject to the *Corporations Act*, the Constitution and the ASX Listing Rules.

The purpose of preparing and disclosing the matters set out in this document is to:

- (1) formalise procedures to ensure the Company and the Board act in a transparent and appropriate manner in both its internal and external dealings;
- (2) ensure that appropriate checks, balances and procedures are in place to monitor the operations of the Company and those charged with its management;
- (3) provide for a transparent method for the community, stakeholders and shareholders to evaluate the performance of the Company from a corporate governance perspective.

In preparing, documenting and implementing these matters, the Company and the Board are mindful of the *Corporate Governance Principles and Recommendations* issued by the ASX Corporate Governance Council, and updated and re-issued from time to time.

#### Functions, Powers and Responsibilities of the Board

Generally, the powers and obligations of the Board are governed by the *Corporations Act* and the general law.

Without limiting those matters, the Board expressly considers itself responsible for the matters outlined below, noting that further specific details may be covered by other policies noted in this Charter, specifically including the Board Charter:

- (1) approving, reviewing, updating and enforcing as required, the Company's core values, and the range of corporate governance policies and additional materials noted in this Charter;
- (2) approving the Company's strategy, business plans, financial budgets, and operational policies and procedures;
- (3) ensuring compliance with the *Corporations Act*, ASX Listing Rules (where appropriate) and all laws relevant to the Company's business activities;
- (4) determining the size and make-up of the Board of Directors, and the skills and qualities required to align with the Company's purpose, values, strategic objectives and business plans;
- (5) appointing, monitoring the performance of, and removing, the Chief Executive Officer;

- (6) overseeing the appointment of appropriate staff, consultants and experts to assist in the Company's operations, including the specific ratification of the Chief Financial Officer and Company Secretarial appointment(s);
- (7) with specific input from the Audit & Risk Management Committee, setting the Company's risk appetite and overseeing and monitoring its framework of control and accountability systems to enable all financial and non-financial risks to be assessed, monitored and managed;
- (8) with specific input from the Audit & Risk Management Committee, approving the Company's annual report, audited and audit-reviewed financial statements and any other published financial reporting, and the appointment of, and liaison with, the Company's external auditors;
- (9) approving the public announcements and communications published by the Company including project-related results, corporate developments and periodic activity updates (Quarterly reports, etc);
- (10) overseeing the maintenance of communications and relations between the Company and third parties, including its shareholders and ASX;
- (11) implementing appropriate strategies to monitor and measure the performance of the Board in implementing its functions and powers;
- (12) with specific input from the People, Culture and Resources Committee, monitoring and guiding the Company's culture, reputation and standards of conduct, having regard to the range of policy documents noted in this Charter, specifically including the Company's Corporate Values Statement and its Code of Conduct and Ethics;
- (13) with specific input from the People, Culture and Resources Committee, structuring and monitoring Board-related remuneration, Executive management's performance and remuneration arrangements, oversight and approval of all material internal policies and procedures, and ensuring appropriate resources are made available for the pursuit of the Company's business strategy and plans;
- (14) approving and monitoring the progress of the Company's financial budgets, major capital expenditures, capital management processes, and business or project acquisitions and divestitures;
- (15) monitoring the financial and operational performance of the Company, including its regulatory and legal obligations;
- (16) whenever required, challenging the Company's management and holding it to account;
- (17) approving and reviewing succession plans for key members of the Board and Executive management, specifically the Chief Executive Officer;
- (18) appointing and overseeing Board Committees where appropriate to assist in the above functions and powers.

### Structure of the Board

The structure of the Board is determined in accordance with the following principles:

- (1) to aim for, so far as is practicable given the size of the Company, a majority of the Board being independent Directors;

- (2) to aim for, so far as is practicable given the size of the Company, the appointment of a chairperson who is an independent Director, and who is not the Chief Executive Officer of the Company;
- (3) to aim for, so far as is practicable given the size of the Company, a Board comprising of members with diverse backgrounds; and
- (4) to have at least three (3) Directors.

In assessing the independence of Directors, the Board will have regard to Principle 2 of the *Corporate Governance Principles and Recommendations* as updated and re-published from time to time.

Examples of interests, positions, affiliations or other relationships that may raise issues about the independence of a Director include if the Director:

- (1) is, or has been, employed in an executive capacity by the Company (or any related entities) and there has not been a period of at least three (3) years between ceasing such employment and serving on the Board;
- (2) receives performance-based remuneration (including options or performance rights) or participates in an employee incentive scheme;
- (3) is, or has been within the last three (3) years, in a material business relationship (eg. as a supplier, professional adviser, consultant or customer) to the Company (or any of its related entities) or is an officer of, or otherwise associated with, someone with such a relationship;
- (4) is, represents, or is otherwise affiliated with a substantial shareholder of the Company;
- (5) has close personal ties with any person who falls within any of the categories described above; or
- (6) has been a Director of the Company for such a period that their independence from Management and substantial holders may have been compromised.

### Materiality Threshold - Independence

The Board employs a materiality threshold in judging whether customer, supplier, consultant or professional adviser relationships affect the independence of the Company's Directors.

A relationship is presumed immaterial when it represents less than 5% of Company revenues or expenses, and presumed material when it generates more than 10% of Company revenues or expenses during a 12-month period in the absence of evidence or convincing argument to the contrary. In considering such evidence or argument the Board takes into account the strategic value and other material but non-quantitative aspects of the relationship in question.

The threshold for the purpose of assessing the materiality of relationships between a Non-Executive Director and the Company (other than as a Director) is set according to the significance of that relationship to the Director in the context of their activities as a whole.

## Directors' Interests

At each meeting of the Board, Directors table any changes to their previously documented current outside interests. Where it is considered that a Director has a material potential conflict, it is noted and where appropriate the relevant director absents him or herself for that specific item of business. That decision is minuted.

The Company has adopted a specific Related Party Transactions Policy and a Conflict of Interest Policy which also form part of its Corporate Governance framework.

## **A.2 The Chairperson**

The Chairperson is responsible for leadership of the Board, for efficient organisation and conduct of the Board's function and the briefing of all Directors in relation to issues arising at Board meetings. The Chairperson is also responsible for shareholder communication and arranging Board performance evaluation.

## **A.3 Chief Executive Officer/Managing Director**

The Chief Executive Officer or Managing Director (if any) is responsible for running the affairs of the Company under delegated authority from the Board, and to implement the policies and strategies set by the Board.

In carrying out his/her responsibilities, the Chief Executive Officer or Managing Director must report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the Company's financial position and operating results.

The Chief Executive Officer or Managing Director (if any) (together with the Chief Financial Officer) shall be required to state in writing to the Board that the financial reports of the Company represent a true and fair view in all material respects, of the Company's financial conditions and operating results and are in accordance with relevant accounting standards.

## **A.4 Company Secretary**

The role of the Company Secretary is to support the effectiveness of the Board and the Committees. In carrying out his or her responsibilities, the Company Secretary is accountable directly to the Board in the performance of this role which includes, without limitation:

- (1) advising the Board and the Committees of governance matters;
- (2) monitoring compliance with Board and Committee policy and procedures;
- (3) coordinating the timely completion and despatch of Board and Committee papers;
- (4) ensuring that the business at Board and Committee meetings is accurately recorded in the minutes; and
- (5) helping to organise and facilitate the induction and professional development of Directors.

## **A.5 Induction of New Directors and Ongoing Director Education**

On their first appointment, Directors will have the benefit of an induction program aimed at deepening their understanding of the Company, its activities and the business, environment and markets in which the Company operates.

As part of the program Directors will receive a manual of essential Board and Company information and will be given briefings by Management.

As part of the induction process new Directors may complete a self-assessment of their capabilities and competencies to determine areas where further development will be beneficial in contributing to the Board's performance. Development in these areas will then be considered and discussed with the new Director by the Nomination Committee (if established) or the Chairperson.

The Company will provide an ongoing education and development program for Directors which includes both formal and informal sessions. The program is intended to cover overall competencies required of any Director and also specific knowledge relevant to the Company's business. It is desirable for all Directors to complete the Australian Institute of Company Directors Course (or equivalent) and related formal assessment.

Directors are also expected to keep themselves abreast of changes and trends in the Company's business, environment and markets and to keep abreast of changes and trends in the economic, political, social and legal climate generally. Directors are expected to have an appropriate base level of understanding on accounting matters. Additional development and training in this area can be discussed with the Nomination Committee (if established) or the Chairperson by a Director. The Company will also provide briefings on developments in accounting standards.

## **A.6 Independent Advice**

A Director may seek independent advice, including legal advice, where he or she believes it is necessary to properly discharge his or her duties as a Director. The Company will pay for the reasonable cost of this advice provided that the Director has obtained the prior approval of the Chairperson (including for the cost of the advice).

If the Chairperson wishes to seek independent advice and wishes for the Company to pay for the reasonable costs of that advice, the Chairperson must inform the other members of the Board in advance of seeking such advice.

## **A.7 Corporate Ethics**

The Company has adopted a Code of Conduct and Business Ethics, which has been agreed to by each member of the Board, setting out the obligations of integrity and honesty on each member of the Board and their obligations with respect to the conduct of the Company in its business practices and in its dealings with its range of stakeholders.

## **Section B – Standing Rules of Committees**

### **B.1 Application**

These Standing Rules apply to, and are deemed to be incorporated into the Charter of each Committee, except where the terms of these Standing Rules conflict with those of the relevant Charter.

## **B.2 Composition**

- (a) Having regard to the practical limitations associated with the size of the Company and the nature and scale of its operations from time to time, the composition of each Committee will be determined having regard to the following principles:
  - (1) each Committee will aim to have membership which comprises only Non-Executive Directors, save where there is not a sufficient number of Non-Executive Directors or the Board considers that to do so for a particular Committee would be unnecessary or desirable, in which case, the Board may appoint one or more executive Directors to the Committee;
  - (2) each Committee will aim to have a majority of its members being Independent Directors (where appropriate, given the size of the Company and the Board);
  - (3) provided the Committee includes at least one Independent Director, the chairperson of the Committee will be an Independent Director; and
  - (4) the Committee will comprise at least three members.
- (b) Membership of each Committee will be disclosed in the Corporate Governance Statement, the Annual Report or the Company's website.
- (c) Committee members are appointed by the Board.
- (d) The term of appointment as a member shall not be fixed, but shall be subject to periodic Board review as part of its governance processes. The effect of ceasing to be a Director is the automatic termination of that individual's appointment as a member of each Committee.
- (e) Each Director may attend Committee meetings but will have no voting rights unless he or she is a member of the relevant Committee.

## **B.3 Chairperson**

- (a) The chairperson of each Committee is selected by the Board.
- (b) Should the chairperson be absent from a meeting and no acting chairperson has been appointed, the members of the relevant Committee present at the meeting have authority to choose one of their number to be chairperson for that particular meeting.

## **B.4 Meetings**

- (a) Each Committee will meet at such intervals as required to fulfil its obligations unless a certain number of minimum meetings per year is specified by the Committee Charter.
- (b) In addition, the chairperson of a Committee is required to call a meeting of that Committee if requested to do so by any member of that Committee, the external auditors, the internal auditors, the Company's Chairperson or another Board member.
- (c) The chairperson of each Committee will appoint an executive or the Company Secretary to act as secretary to that Committee who will be responsible:

- (1) in conjunction with the chairperson, for drawing up the agenda, supported by explanatory documentation, and circulating it to the relevant Committee members prior to each meeting; and
  - (2) for keeping the minutes of each meeting of that Committee and circulating them to Committee members and to the other members of the Board.
- (d) A quorum will consist of two members.
- (e) The chairperson of each Committee will report to the Board following each meeting of that Committee on the decisions made by the Committee.
- (f) Meetings may be held in any location and may be held by means of teleconference or videoconference.

## **B.5 Fees**

A member of each Committee may be entitled to receive remuneration as determined from time to time by the Board.

## **B.6 Review of Charter**

- (a) Each Charter is to be reviewed annually by the relevant Committee to ensure it remains consistent with that Committee's authority, objectives and responsibilities.
- (b) Significant changes to the Charter must be recommended by the relevant Committee and approved by the Board.

## **B.7 Duties and responsibilities**

- (a) The duties and responsibilities of a member of each Committee are in addition to those duties set out for a Director of the Board.
- (b) The duties and responsibilities of a member of each Committee are set out in each Charter.

## **Section C – Related Documents and Policies**

In addition to the matters specifically covered by this Charter, the Company has a range of additional policies and / or documents which complement or form part of the Company's overall governance framework.

The Company is ultimately aspiring to the highest standards of governance and sustainability practices. However, given the present size and scale of its operations, resources and personnel, the Company may take some time to achieve this objective. As a minimum, the Board intends to report on its governance initiatives in its Annual Report and its annual Corporate Governance Statement.

The following policies have been adopted by the Company to date, and are available in full on the Company's website: <https://goldhydrogen.com.au/>

## **Policy Documents**

- Anti Bribery and Corruption Policy
- Assessing the Independence of Directors Policy
- Code of Conduct and Business Ethics
- Conflict of Interest Policy
- Continuous Disclosure Policy
- Diversity and Inclusion Policy
- Fraud Control Policy
- Privacy Policy
- Related Party Transactions Policy
- Responsible Sourcing and Modern Slavery Policy
- Risk Management Policy
- Securities Trading Policy
- Whistleblower Policy

## **Additional Documents**

- Board Charter
- Company Constitution
- Core Values Statement
- Employee Share Option Plan

## Appendix 1 – Audit & Risk Management Committee Charter

### *Status: Committee in Place*

#### **Committee Members**

The Board has established an Audit & Risk Management Committee. To the extent possible, having regard to the size and composition of the Board, the Audit & Risk Management Committee should consist of the following:

- (1) Only Non-Executive Directors;
- (2) A majority of Independent Directors;
- (3) An Independent Chairperson who is not the Chair of the Board; and
- (4) At least three members - where there are not three or more Non-Executive Directors of the Company, the Board may appoint Executive Directors to the Committee.

Each member of the Audit & Risk Management Committee is to be financially literate and at least one member of the Committee is to have accounting or related financial management experience.

The Company Secretary and representatives of the auditors may be invited to form part of the Audit & Risk Management Committee from time to time.

#### **Purpose**

The Audit & Risk Management Committee Charter (the **Charter**) sets out the role, responsibilities, composition, authority and membership requirements of the Audit & Risk Management Committee of the Company.

Key features of the Charter will be outlined in the Annual Report. The Charter is available on the Company's website to shareholders of the Company.

#### **Definition and Objectives of the Committee**

The Audit & Risk Management Committee (Committee) is a Committee of the Board.

The Committee's primary function is to assist the Board in discharging its responsibility to exercise due care, diligence and skill in relation to the Company.

#### **Duties and Responsibilities**

##### Audit Related

- (1) Ensure the adequacy of the entity's corporate reporting processes and internal control framework;
- (2) Ensure the quality of financial controls is appropriate for the business of the Company;
- (3) Review the Company's internal financial control system;
- (4) Consider the financial statements and if they reflect a true and fair view of the financial position and performance of the company.
- (5) Review the appropriateness of accounting judgements in the financial statements;
- (6) Monitor corporate conduct and business ethics, including Auditor Independence and ongoing compliance with laws and regulations;

- (7) Maintain open lines of communication between the Board, management and the external auditors, thus enabling information and points of view to be freely exchanged;
- (8) Review matters of significance affecting the financial welfare of the Company;
- (9) Ensure that systems of accounting and reporting of financial information to shareholders, regulators and the general public are adequate;
- (10) Review the scope and results of external and internal audits;
- (11) Consider the appointment of the external auditor and to approve the remuneration, terms of engagement of the external auditor;
- (12) Monitor and review the external auditor's independence, objectivity and effectiveness, taking into consideration relevant professional and regulatory requirements;
- (13) Review the performance of external and internal auditors;
- (14) Consider the rotation of the external audit engagement partner;
- (15) Periodically review the requirement for an internal audit function; and
- (16) Develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provisions of non-audit services by the external audit firm.

## Risk Related

- (1) Ensure the development of an appropriate risk management framework that will provide guidance to Management in implementing appropriate risk management practices throughout the Company's operations, practices and systems;
- (2) Define and periodically review risk management as it applies to the Company and clearly identify all stakeholders;
- (3) Ensure the Committee clearly communicates the Company's risk management philosophy, policies and strategies to Directors, Management, employees, contractors and appropriate stakeholders;
- (4) Ensure that Directors and Management establish a risk aware culture which reflects the Company's risk policies and philosophies;
- (5) Review methods of identifying broad areas of risk and setting parameters or guidelines for business risk reviews;
- (6) Monitor management's performance against the risk management framework including whether it is operating within the risk appetite set by the Board;
- (7) Receive reports from management on new and emerging sources of risk, and the controls and mitigation measures put in place.
- (8) Make informed decisions regarding business risk management, internal control systems, business policies and practices and disclosures
- (9) Consider capital raising, treasury and market trading activities with particular emphasis on risk treatment strategies, products and levels of authorities;
- (10) Consider any material exposure to environmental or social risks, and how the company intends to manage;
- (11) Review any material incidents involving fraud or break-down of the risk controls, and the lessons learnt; and
- (12) Oversee the insurance program having regard to the business and the associated insurable risks.

## Reporting

Proceedings of all meetings are minuted and signed by the Chairperson.

The Committee, through its Chairperson, is to report to the Board at the earliest possible Board meeting after each Committee meeting. Minutes of all Committee meetings are to be circulated to the Board.

The report should address the following matters of relevance, having regard to the status of the Company and its activities at the time:

- (1) Information about the Audit process including the results of internal and external audits;
- (2) An assessment of:
  - Whether external reporting is consistent with Committee members' information and knowledge and is adequate for shareholder needs; and
  - The management processes supporting external reporting;
- (3) Recommendations and / or procedures for the selection and appointment of the external auditor (or their removal) and for the rotation of external audit partners;
- (4) Results of its review of risk management and internal compliance and control systems;
- (5) Any matters that in the opinion of the Committee should be brought to the attention of the Board and any recommendations requiring Board approval and/or action; and
- (6) At least annually, a review of the formal written Charter and its continuing adequacy, and an evaluation of the extent to which the Committee has met the requirements of the Charter.

## Risk Management Policies

The Committee will ensure that the necessary controls are in place for risk management policies to be maintained by:

- (1) Devising a means of analysing the effectiveness of risk management and internal compliance and control system and of the effectiveness of their implementation; and
- (2) Reviewing, at least annually, the effectiveness of the Company's implementation of the risk management framework with regard to the risk appetite set by the Board.

## Attendance at Meetings

Other Directors (Executive and Non-Executive) have a right of attendance at meetings. However, no Board Director is entitled to attend that part of a meeting at which an act or omission of that Director or a contract, arrangement or undertaking involving or potentially involving that Director or a related party of that Director is being investigated or discussed.

If in the opinion of the Committee, their investigation or discussion will be assisted by hearing from the interested Director, the Committee may invite that Director to address the Committee. The Committee will give fair consideration to that address. The Director will not, however, be invited to take part in the deliberations following that address.

## Access

The Committee shall have unlimited access to the external and internal auditors, and to senior management of the Company and any subsidiary. The Committee shall also have the ability and authority to seek any information it requires to carry out its duties from any officer or employee of the

Company and such officers or employees shall be instructed by the Board to co-operate fully in provision of such information.

The Committee also has the authority to consult independent experts where they consider it necessary to carry out their duties. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

### **Application of Standing Rules**

The Standing Rules for Committees apply to, and are deemed to be incorporated into this Charter, save where the Standing Rules conflict with any of the terms in this Charter.

## Appendix 2 – People, Culture & Resources Committee Charter

### *Status: Committee in Place*

#### **Committee Members**

The Company has established a People, Culture & Resources Committee. Where possible, having regard to the size and composition of the Board, the People, Culture & Resources Committee is to consist of the following:

- (1) a minimum of three members;
- (2) all, if not most, independent Non-Executive Directors;
- (3) an Independent Chairperson; and
- (4) other person appointed by the Board from time to time.

The Director appointees to the People, Culture & Resources Committee will be identified on the Company's website.

#### **Purpose**

The People, Culture & Resources Committee Charter (the **Charter**) sets out the role, responsibilities, composition, authority and membership requirements of the People, Culture & Resources Committee of the Company.

Key features of the Charter will be outlined in the Annual Report. The Charter is available to shareholders of the Company upon request.

#### **Definition and Objectives of the Committee**

The People, Culture & Resources Committee (the **Committee**) is a Committee of the Board.

The Committee is responsible for the oversight of the Company's management of its personnel, the establishment, maintenance and (if required) enforcement of its corporate culture, and for reviewing the remuneration policies and practices of the Company and making recommendations to the Board in relation to:

- (1) Executive remuneration and incentive plans:
  - (a) including, but not limited to, pension and superannuation rights and compensation payments and any amendments to that policy proposed from time to time by Management;
  - (b) review of the on-going appropriateness and relevance of the Executive remuneration policy and other Executive benefit programs;
  - (c) consideration of whether to seek shareholder approval of the Executive remuneration policy;
  - (d) overseeing the implementation of the remuneration policy;
  - (e) review and approval of the total proposed payments from each Executive incentive plan; and
  - (f) preparing for consideration by the Board, the report to shareholders to be put to shareholders at the Annual General Meeting and to be incorporated into the Annual Report.
- (2) In respect of such Executive remuneration, review the competitiveness of the Company's Executive compensation programmes to ensure:

- (a) the programmes are attractive, with a view to ensuring the retention of corporate officers;
  - (b) the motivation of corporate officers to achieve the Company's business objectives; and
  - (c) the alignment of the interests of key leadership with the Company's purpose, core values and the long term interests of the Company's shareholders.
- (3) the remuneration packages for Management, Directors and the Managing Director (if any):
- (a) consider and make recommendations to the Board on the entire specific remuneration for each individual of Management (including fixed pay, incentive payments, equity awards, retirement rights, service contracts) having regard to the Executive remuneration policy; and
  - (b) consider whether shareholder approval will be required.
- (4) Non-Executive Director remuneration:
- (a) in developing the structure, consider the Corporate Governance Principles and Recommendations, in that:
    - Non-Executive Directors should normally be remunerated by way of fees (in the form of cash, non-cash benefits, superannuation contributions or equity);
    - Non-Executive Directors should not participate in schemes designed for the remuneration of Executives; and
    - Non-Executive Directors should not receive a material quantum of options, performance rights, bonus payments or retirement benefits (other than statutory superannuation),
  - (b) ensure that the fees for Non-Executive members of the Board are within the aggregate amount approved by shareholders;
  - (c) provide, in the corporate governance section of the Annual Report, any departures from the Corporate Governance Principles and Recommendations if necessary;
- (5) the Company's recruitment, retention and termination policies and procedures for senior management;
- (6) the equality and terms of remuneration for all employees, irrespective of gender;
- (7) incentive plans and share allocation schemes:
- (a) review and approve the design of all equity-based plans;
  - (b) keep all plans under review in light of legislative, regulatory and market developments;
  - (c) for each equity-based plan, determine each year whether awards will be made under that plan;
  - (d) ensure that the equity based Executive remuneration is made in accordance with the thresholds set in plans approved by shareholders;
  - (e) review and approve total proposed awards under each plan;
  - (f) in addition to considering awards to Executive Directors and direct reports to the Managing Director, review and approve proposed awards under each plan on an individual basis for Executives as required under the rules governing each plan or as determined by the Committee; and
  - (g) review, approve and keep under review performance hurdles for each equity-based plan,

- (8) superannuation arrangements;
- (9) remuneration of members of other Committees of the Board.

## **Remuneration Policies**

The Committee should design the remuneration policy in such a way that it:

- (1) motivates Directors and management to pursue the long-term growth and success of the Company within an appropriate control framework;
- (2) aligns Directors and management with the Company's purpose, values, strategic objectives and risk appetite;
- (3) demonstrates a clear relationship between key Executive performance and remuneration.

In performing its role, the Committee is required to ensure that:

- (1) the remuneration offered is in accordance with prevailing market conditions, and that exceptional circumstances are taken into consideration;
- (2) contract provisions reflect market practice; and
- (3) targets and incentives are based on realistic performance criteria.

The Committee will also:

- (1) overview the application of sound remuneration and employment practices across the Company; and
- (2) ensure the Company complies with legislative requirements related to employment practices.

## **Approval**

The Committee must approve the following prior to implementation:

- (1) changes to the remuneration or contract terms of Executive Directors and direct reports to the Managing Director;
- (2) the design of new, or amendments to current, equity plans or Executive cash-based incentive plans;
- (3) total level of award proposed from equity plans or Executive cash-based incentive plans; and
- (4) termination payments to Executive Directors or direct reports to the Managing Director, including consideration of early termination, except for removal for misconduct, termination payments to other departing Executives should be reported to the Committee at its next meeting.

## **Reporting**

Proceedings of all meetings of the Committee are to be minuted and signed by the Chairperson.

The Committee, through its Chairperson, is to report to the Board at the earliest possible Board meeting after the Committee meeting. Minutes of all Committee meetings are to be circulated to the Board.

The report should address the following matters of relevance, having regard to the status of the Company and its activities at the time:

- (1) information about any review process undertaken by the Committee relevant to the Company's personnel, culture, remuneration practices or broader resources;
- (2) an assessment of:
  - (a) Executive remuneration and incentive plans;
  - (b) remuneration packages for senior management, Directors and the managing Director (if any);
  - (c) Non-Executive Director remuneration;
  - (d) remuneration by gender;
  - (e) the Company's recruitment and retention and termination policies and procedures for senior management;
  - (f) incentive plans and share allocation schemes;
  - (g) superannuation arrangements;
  - (h) remuneration of members of other Committees of the Board;
- (3) recommendations to be considered by the Board arising from any review conducted or feedback received materially relevant to the Company's personnel, culture, remuneration practices or broader resources;
- (4) at least annually, a review of the formal written Charter and its continuing adequacy, and an evaluation of the extent to which the Committee has met the requirements of the Charter.

## **Meetings**

There is no requirement that the People, Culture & Resources Committee meet a set number of times or intervals during a year. Rather, the Committee will meet at such intervals as required to fulfil its obligations.

In addition, the Chairperson is required to call a meeting of the Committee if requested to do so by any Committee member, the internal or external auditors, the Chairperson of the Board or other Board member.

The Committee shall have access to employees of the Company and appropriate external advisers. The Committee may meet with these external advisers without Management being present.

The Committee may also seek input from individuals on remuneration policies but no individual should be directly involved in deciding his/her remuneration.

## **Attendance at Meetings**

Other Directors (Executive and Non-Executive) have a right of attendance at meetings. However, no Director is entitled to attend that part of a meeting at which the remuneration of that Director or a related party of that Director is being discussed.

## **Access**

The Committee will have access to employees of the Company and appropriate external advisers. The Committee may meet with these external advisers with or without Management being present. The Committee will also have the ability and authority to seek any information it requires to carry out its duties from any officer or employee of the Company and such officers or employees will be instructed by the Board to co-operate fully in provision of such information. The Committee will have the ability to interview Management and Directors where considered necessary or appropriate.

The Committee also has the authority to consult independent experts where they consider it necessary to carry out their duties. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

## **Application of Standing Rules**

The Standing Rules for Committees apply to, and are deemed to be incorporated into this Charter, save where the Standing Rules conflict with any of the terms in this Charter.

## Appendix 3 – Environment, Social and Governance (ESG) Committee Charter

*Status: Not Yet Constituted – Board Fulfilling Role*

### Committee Members

The Company has not yet formally established an ESG Committee as the Directors consider that the Company is not of a size nor are its affairs of such complexity as to justify the formation of this Committee. The Board as a whole is able to address these issues and is guided by the Charter set out below. The Company will review this position annually and determine the appropriate time for the formation of an ESG Committee as a sub-committee of the Board.

### Purpose

The ESG Committee Charter (the **Charter**) sets out the role, responsibilities, powers, authority and membership requirements of the ESG Committee of the Company.

### Definition and Objectives of the Committee

Once established, the ESG Committee (the **Committee**) will be a Committee of the Company's Board (the **Board**) and other persons appointed by the Board from time to time.

The Committee consider and make recommendations to the Board on matters pertaining to environmental, social and governance matters relevant to the Company and its range of stakeholders.

The Board recognises the importance of ESG to the long-term sustainability of the Company and that these matters are increasingly relevant to its investors and broader range of stakeholders. The Board also recognises that the Company has a responsibility to the community in which it operates and as such, has established this Committee to assist the Board in fulfilling these oversight responsibilities.

The objectives of the Committee will be to:

- (1) ensure that the Company's values in relation culture and ESG are embedded across the Company;
- (2) oversee management's approach to the identification and management of risks associated with the Company's culture;
- (3) understand how the Company's ability to create value is impacted by environmental, social and governance matters;
- (4) monitor emerging ESG trends and their materiality with regard to both the Company's long term value creation and its intention to satisfy what it sees as its cultural, social and environmental responsibilities to the community; and
- (5) recommend to the Board a culture and ESG strategy (including in relation to climate change) and oversee any targets set by the Board from time to time.

The purposes and provisions specified in this Charter are meant to serve as guidelines, and the Committee will be delegated the authority to adopt such additional procedures and standards as it deems necessary from time to time to fulfil its responsibilities. Nothing in this Charter is intended to expand applicable standards of liability under the *Corporations Act* for Directors of a corporation.

Once established, the Committee's responsibilities will be to review, monitor and/or make recommendations to the Board in relation to the following:

## **Environmental**

- the on-going implementation and delivery of environmental initiatives and commitments in a staged and planned manner;
- the adequacy of management's approach to the identification and management of environmental risks and opportunities.

## **Social**

- the implementation and delivery of social sustainability initiatives and commitments;
- the effectiveness of the group's initiatives and policies (including human rights and modern slavery) in the Company's supply chain.

## **Governance**

- any reputational impact of the group's business strategies and practices;
- in collaboration with the Audit & Risk Management Committee, any material issues relevant to the Company's ESG strategy and reporting; and
- the Company's Corporate Governance Statement, sustainability report and the Company's ESG achievements and future commitments.

## **Powers and Authority of the Committee**

Once constituted, the Committee will have the ability to direct any special investigations deemed necessary and to consult independent experts where considered necessary to carry out its duties and has the authority to retain persons having special competencies (including, without limitation, legal or other consultants and experts) to assist the Committee in fulfilling its responsibilities.

The costs of consultations commissioned by the Committee will be borne by the Company.

The Committee shall be granted by the Board unrestricted access to all information and all employees have been, and shall be, directed to cooperate as requested by members of the Committee.

## **Reporting**

Proceedings of all meetings are to be minuted and signed by the Chairperson.

The Committee, through its Chairperson, is to report to the Board at the earliest possible Board meeting after the Committee meeting. Minutes of all Committee meetings are to be circulated to the Board.

The report should address the following matters of relevance, having regard to the status of the Company and its activities at the time:

- (1) information about any examination or assessment carried out by the Committee including the results of such assessments;
- (2) an assessment of:
  - (a) the Board and Committee structure;
  - (b) the adequacy and quality of information provided to the Board prior to and during its meetings;

- (c) how the Company is performing against its objectives in the Diversity Policy across all levels of the Company;
  - (d) the various Charters;
  - (e) the adequacy of controls in place for risk management;
  - (f) the effectiveness of the Committee;
- (3) any recommendation of change to procedures implemented by the Company, the Board or any Committee;
- (4) any matters that in the opinion of the Committee should be brought to the attention of the Board and any recommendations requiring Board approval and/or action; and
- (5) at least annually, a review of the formal written Charter and its continuing adequacy, and an evaluation of the extent to which the Committee has met the requirements of the Charter.

## **B.8 Application of Standing Rules**

The Standing Rules for Committees apply to, and are deemed to be incorporated into this Charter, save where the Standing Rules conflict with any of the terms of this Charter.

## Appendix 4 – Nominations Committee Charter

*Status: Not Yet Constituted – Board Fulfilling Role*

### **F.1 Committee Members**

The Company has not formally established a Nominations Committee as the Directors consider that the Company is not of a size nor are its affairs of such complexity as to justify the formation of this Committee. The Board as a whole is able to address these issues and is guided by the Charter set out below. The Company will review this position annually and determine whether a Nominations Committee needs to be established.

### **F.2 Purpose**

The Nomination Committee Charter (the Charter) sets out the role, responsibilities, powers, authority and membership requirements of the Nominations Committee of the Company.

Key features of the Charter will be outlined in the Annual Report. The Charter is available to shareholders of the Company upon request.

### **F.3 Definition and Objectives of the Committee**

The Nominations Committee (Committee) is a Committee of the Board which shall ideally be comprised of:

- a minimum of three members;
- all, if not most, independent Non-Executive Directors;
- an independent chairperson; and other persons appointed by the Board from time to time.

The Committee is responsible for assisting the Board in relation to the appointment of members to the Board and of Management (including, without limitation, the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer (to the extent that the Company has or requires such positions)), and for the review of the performance of such persons.

The Committee shall discharge its responsibility by:

- (1) developing criteria for seeking and reviewing candidates for a position on the Board, including by implementing processes to assess the necessary and desirable skill sets of the Board members including experience, expertise, skills and performance of the Board and the Committees;
- (2) identifying suitable candidates for appointment to the Board or senior management positions from diverse backgrounds;
- (3) reviewing appropriate applications for positions of the Board and recommending individuals for consideration by the Board;
- (4) recommending procedures, including but not limited to strategies to address Board Diversity and increasing the proportion of women in the Company, for adoption by the Board for the proper oversight of the Board and senior management;
- (5) ensuring that such procedures, once adopted, are implemented such that the performance of each member of the Board and of senior management is reviewed and assessed each year in accordance with the procedures;

- (6) annually review the composition of each Committee and present recommendations for Committee memberships to the Board.

Membership of the Committee will be disclosed in the Annual Report.

## **F.4 Reporting**

Proceedings of all meetings are minuted and signed by the Chairperson.

The Committee, through its Chairperson, reports to the Board at the earliest possible Board Meeting after each Committee Meeting. Minutes of all Committee meetings are circulated to Board Directors. The report should include but is not limited to:

- (1) the minutes of the Committee and any formal resolutions;
- (2) procedures for, and factors taken into account in, the selection and appointment of proposed Board and senior management representatives and for the monitoring of the performance of Board and senior managers including whether the company has developed any Board skills matrix to identify any 'gap' in the skills and experience of the Directors on the Board and whether any professional intermediaries are used to identify and/or assess candidates;
- (3) the steps taken to ensure that a diverse range of candidates is considered;
- (4) recommendation for the appointment or removal of a Board member or senior manager;
- (5) any determination by the Committee relating to the independence of a proposed Board member;
- (6) assessment of the performance of any Board member or senior manager;
- (7) any matters that in the opinion of the Committee should be brought to the attention of the Board and any recommendations requiring Board approval and/or action; and
- (8) at least annually, a review of the formal written Charter and its continuing adequacy, and an evaluation of the extent to which the Committee has met the requirements of the Charter.

In addition, the Chairperson of the Committee must submit an annual report to the Board (at the Board meeting at which the year end financial statements are approved) summarising the Committee's activities during the year. The report (and where appropriate, any interim report) must include:

- (1) a summary of the Committee's main authority, responsibilities and duties;
- (2) details of the mix of skills and diversity for which the Board of Directors is looking to achieve in membership of the Board;
- (3) biographical details of the Committee's members, including expertise, appointment, dates and terms of appointment;
- (4) details of meetings, including the number of meetings held during the relevant period and the number of meetings attended by each member;
- (5) explanation of any departures from best practice recommendations of the Corporate Governance Principles and Recommendations;

- (6) details of the policies introduced to address Board and employee Diversity, including but not limited to strategies to increase the proportion of women at all levels of the Company;
- (7) the measurable objectives that are, or will be, set by the Board to achieve gender diversity in accordance with the Diversity Policy and progress towards achieving them;
- (8) details of the proportion of women employees in the whole organisation, women in senior Executive positions and women on the Board;
- (9) details of any change to the Independent status of each member during the relevant period, if applicable; and
- (10) details of any determination or recommendations made by the Committee in performing its functions as outlined in this Charter.

## **F.5 Attendance at Meetings**

Other Directors (Executive and Non-Executive) have a right of attendance at meetings. However, no Director is entitled to attend that part of a meeting at which an act or omission of that Director or a contract, arrangement or undertaking involving or potentially involving that Director or a related party of that Director is being investigated or discussed.

If in the opinion of the Committee, their investigation or discussion will be assisted by hearing from the interested Director, the Committee may invite that Director to address the Committee. The Committee will give fair consideration to that address. The Director will not, however, be invited to take part in the deliberations following that address.

## **F.6 Access**

The Committee shall have unlimited access to the external and internal auditors, and to senior management of the Company and any subsidiary. The Committee shall also have the ability and authority to seek any information it requires to carry out its duties from any officer or employee of the Company and such officers or employees shall be instructed by the Board to co-operate fully in provision of such information.

The Committee also has the authority to consult independent experts where they consider it necessary to carry out their duties. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

## **F.7 Application of Standing Rules**

The Standing Rules for Committees apply to, and are deemed to be incorporated into this Charter, save where the Standing Rules conflict with any of the terms in this Charter.