



Gold
Hydrogen

The Gold Standard in Green Energy

**Corporate Governance Statement
2023**

Overview

The Board of Directors of Gold Hydrogen Limited (the **Company**) is responsible for the corporate governance of the Company. The Board guides and monitors the business affairs of the Company on behalf of the shareholders, by whom they are elected, and to whom they are accountable.

The Company's **Corporate Governance Statement** has been adopted and structured with reference to the fourth edition of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* (the **ASX Recommendations**).

The Company's practices are largely consistent with the ASX Recommendations, and the Board has made appropriate statements reporting on the adoption of the various specific governance recommendations. However, it does not consider that full compliance with all of the ASX Recommendations is currently possible or appropriate, due to the current size and scale of the Company's Board, management team and operations. The Board has offered full disclosure and reasons for the adoption of Company practices, in compliance with the "if not, why not" approach, and these are summarised below.

The Board is of the view that, with the exception of the departures specifically noted below, the Company otherwise complies with the ASX Recommendations.

A copy of the Company's full suite of corporate governance materials is available on its website under *Investor Centre / Corporate Governance*.

1. Lay Solid Foundations for Management and Oversight

1.1 Board Charter

In general, the Board provides input that assists in identifying and understanding emerging trends and issues, setting the broad framework within which the strategic and business plans are prepared each year, recommending any significant shifts in the broad strategic direction of the Company, reviewing, developing and approving the Company's long-term strategic plan, and ensuring the Company develops annual business plans to achieve its strategic objectives.

The Board has delegated to the Managing Director, the day-to-day responsibility for running the affairs of the Company, and for implementing the policies and strategy set by the Board. The Board also delegates to senior management the responsibilities for the day-to-day activities leading toward achievement of the Company's strategic direction with agreed boundaries and authority limitations.

The Company has adopted a **Board Charter** which sets out the functions and responsibilities of the Board, the matters expressly reserved for the Board, the structure of the composition of the Board, and guidelines for assessing the independence of its members.

A copy of the Board Charter is available on the Company's website under *Investor Centre / Corporate Governance*.

1.2 Information Regarding Election and Re-election of Director Candidates

The policies and procedures for the selection and appointment of new Directors is that candidates are considered and selected by reference to a number of factors which include, but are not limited to, their relevant experience and achievements, compatibility with other Board members, and credibility within the Company's scope of activities. Background checks, including via third parties, are undertaken ahead of any Director appointment.

Directors that are initially appointed by the Board are subject to election / ratification by shareholders at the Company's next Annual General Meeting.

The Company has appropriate procedures in place to ensure that material information relevant to a decision to elect or re-elect a Director (including whether Directors support the election or re-election) is disclosed in the Notice of Meeting provided to shareholders.

At each Annual General Meeting the following Directors automatically retire and are eligible for re-appointment:

- (a) any Director (other than the Managing Director) who has been elected in the office for a period in excess of three consecutive years or until the third annual general meeting following her/his appointment, whichever is longer, without submitting him/herself for re-election; and
- (b) any Director who was appointed by the Directors during the year to fill a casual vacancy or as an addition to the existing Directors.

1.3 Written Agreements for Appointments of Directors and Senior Executives

New Directors receive a letter of appointment and a Deed of Access and Indemnity. Non-Executive Directors are not appointed for fixed terms. Executive Directors have written service contracts which set out the material terms for their engagement, including a description of position and duties, reporting lines, remuneration arrangements and termination rights and entitlements.

Letters of appointment for Non-Executive Directors require those Directors to, among other things: disclose their material personal interests and any matters which may affect their independence; comply with key corporate policies; and notify the Company before accepting any new role that could impact upon the time commitment expected of them or give rise to a conflict of interest.

Currently not all of the written agreements setting out the terms of appointment of the Company's Directors and senior Executives are with those Directors or senior Executives (as the case may be) personally. However, from 1 July 2023, the majority of the Board will be contracted and paid personally by the Company. Having regard to the nature and scale of the Company's operations and activities, the Board does not consider non-compliance with this Recommendation to be detrimental to the Company or its shareholders.

1.4 **Company Secretary**

The Company Secretary is accountable directly to the Board (through the Board Chair) for facilitating the Company's corporate governance processes and the proper functioning of the Board. Each Director is entitled to access the advice and services of the Company Secretary.

In accordance with the Company's Board Charter, the appointment and removal of the Company Secretary is a matter for the Board as a whole. A copy of the **Board Charter** is available on the Company's website under *Investor Centre / Corporate Governance*.

1.5 **Diversity**

The Board has adopted a formal **Diversity and Inclusion Policy** which can be accessed on the Company's website under *Investor Centre / Corporate Governance*. The Policy outlines the purpose, principles, measurable objectives, targets and key performance indicators to be achieved when the Board considers the Company to be of sufficient size and scale (given the nature of its current activities) for achieving specific diversity targets.

The recruitment and selection processes adopted by the Company ensure that staff and management are selected in a non-discriminatory manner, based on merit.

The Company respects and values the competitive advantage of diversity (which includes but is not limited to gender, age, disability, ethnicity, marital or family status, religious or cultural background), and the benefit of its integration throughout the Company in order to improve corporate performance, increase shareholder value and maximise the probability of achievement of the Company's goals. However, the Board of Directors does not believe that the Company is currently of a sufficient size to justify the establishment of formal and measurable objectives, having regard to the nature and scale of its activities.

1.6 **Board Review and Evaluation**

The Company only made its ASX debut on 13 January 2023. As such, it has not yet conducted a formal performance evaluation, and is yet to adopt a structured performance evaluation policy. These matters will be reviewed in due course.

1.7 **Management Review and Evaluation**

The Board has established a People, Culture and Resources Committee which is intended to review the performance and remuneration of the Company's Managing Director and Executive management. Amongst other things, the Committee is responsible for reporting and making recommendations to the Board on matters relevant to performance review metrics, corporate and project milestone achievement and industry remuneration trends, structures and guidelines.

The Committee intends to review the performance of Company Executives individually, and as a group, on an annual basis, in accordance with predetermined criteria, predominantly framed on the achievement of non-financial but value-accretive project metrics as outlined in the Remuneration Report of the Company's Annual Report. Furthermore, the performance evaluation process is to be conducted having regard to the expectations and responsibilities associated with the Executive's role, as well as any relevant contractual provisions.

Given that the Company only listed on the ASX in January of 2023, the Committee did not undertake a performance evaluation during the year ended 30 June 2023.

2. Structure the Board to be Effective and Add Value

2.1 Nomination Committee

The Board is of the view that the Company is not currently of the size or scale to justify the formation of a separate Nomination Committee, although a Charter has been adopted for future use once a Committee is established. The Board currently performs the functions of a Nomination Committee, and where necessary will seek the advice of external advisors in relation to this role.

The current Board of the Company was formed on 1 July 2022 and its members were chosen to provide an appropriate balance of skills, knowledge, industry experience, independence and diversity to enable it to discharge its duties and responsibilities effectively. The Directors will continue to monitor the skills and experience required at Board level as the Company's operations continue to evolve, and will seek to recruit new Directors as required to ensure requisite coverage.

The Board shall, upon the Company reaching the requisite corporate and commercial maturity, approve the constitution of a Nomination Committee to assist the Board in relation to the appointment of Directors and senior Executives as required.

2.2 Board Skills Matrix

Maintaining a balance of experience and skills is an important factor in the composition of a public company Board. The Board of the Company is currently comprised of seasoned industry professionals with combined qualifications, skills and experience as shown in the Board skills matrix below.

SKILLS	INDUSTRY
Gas exploration and production	Natural resources
Project and corporate development	Natural resources
Infrastructure development	Natural resources
Government liaison / stakeholder relations	Government, natural resources
Debt and equity financing	Accounting and finance
Corporate accounting and reporting	Private industry and ASX-listed companies
Governance	Government, natural resources

2.3 Disclose Independence and Length of Service

Recognising the importance of the appropriate balance between independent and non-independent representation on the Board, the Company has developed a formal **Assessing the Independence of Directors Policy**, which can be accessed from the Company's website under *Investor Centre / Corporate Governance*.

The Board of the Company is comprised of the following members:

NAME	ROLE	DATE OF APPOINTMENT	LENGTH OF SERVICE
Alexander Downer	Non-Executive Chair - Independent	01.07.2022	1 year
Katherine Barnet	Non-Executive Director - Independent	01.07.2022	1 year
Roger Cressey	Executive Director	01.07.2022	1 year
Neil McDonald	Managing Director	28.01.2021	2.5 years

All of the Company's Directors have been awarded options as part of their overall remuneration package, as outlined in the Company's Annual Report. This includes Non-Executive Directors Alexander Downer and Katherine Barnet. The quantum of options held by each is not considered to impair the independence of the Non-Executive Directors given the Company's capital structure. Accordingly, whilst the Company has two independent Non-Executive Directors, its current Board membership is not comprised of a *majority* of independent Directors.

However, at this stage of the Company's development, the Board does not consider non-compliance with this corporate governance guideline to be prejudicial to the effectiveness of the Board in exercising their business judgment and acting in the best interest of all shareholders. As the Company matures and its business operations develop, the Board will consider the appointment of further independent Non-Executive Directors or modifications to the composition of its Board.

2.4 Majority of Directors Should be Independent

Refer to 2.3 above.

2.5 Board Chair Should be Independent

The Company's Non-Executive Chair, Mr Alexander Downer, is considered to be independent under the ASX Recommendations. The quantum of options granted to Mr Downer as part of his remuneration package is not considered to be significant enough to impair his independence, having regard to the capital structure of the Company.

2.6 Director Induction and Personal Development

The Company's operations and corporate structure are currently of a straightforward nature. Accordingly, the Company is yet to develop a formal Director induction program. However, the Company will make the following information available to any potential new Director upon request:

- (a) all disclosure documents, including the Company's 2022 Prospectus;
- (b) past minutes of Directors' meetings of the Company;
- (c) existing governance and other policies or procedures of the Company;
- (d) copies of the audited financial statements of the Company since 2021; and
- (e) any other information, finance or otherwise, about the affairs of the Company that Directors request;

- (f) access to the Company's CFO / Company Secretary;
- (g) access to the Company's external auditors and legal representatives.

The Company recommends and encourages all Directors to attend relevant external seminars, conferences and educational programs for expanding their knowledge base and professional skills. Directors also have the right, in connection with the discharge of their duties and responsibilities, to seek independent professional advice at the Company's expense in accordance with the agreed procedure set by the Board. The Company provides the following documents to all Directors:

- (a) a Letter of Appointment including appointment terms, the Director's duties and obligations, and the Director's entitlements;
- (b) a Consent to Act, which requires a formal written consent to become a Director, containing the minimum information required by the Company; and
- (c) a Deed of Access and Indemnity.

3. Instil a Culture of Acting Lawfully, Ethically and Responsibly

3.1 Company Values

The Company's **Core Values** and operating principles underpin the culture of the organization. They also guide the Board and the Company's management in their day-to-day dealings with each other and the Company's range of stakeholders. The Company's **Core Values** include:

- **Excellence** – we will strive for excellence in everything we do;
- **Integrity** – we will act with honesty and fairness;
- **Respect** – we will respect our full range of stakeholders;
- **Sustainable Development** – we will make a positive contribution to global decarbonisation; and
- **Performance** – we are striving for positive outcomes for stakeholders and the environment.

The Company's **Core Values** are outlined in full on the Company's website under *Investor Centre / Corporate Governance*.

3.2 Code of Conduct and Business Ethics

The Board has established a **Code of Conduct and Business Ethics** for Directors, management and employees of the Company. The Code requires that Directors, management and employees maintain high standards of integrity by ensuring that all business activities are conducted legally and ethically in compliance with the letter and spirit of both the law and Company policies.

A copy of the **Code of Conduct and Business Ethics** can be accessed on the Company's website under *Investor Centre / Corporate Governance*.

3.3 Whistleblower Policy

The Board has established a **Whistleblower Policy** that sets out the procedure for making disclosures of information that qualify for protection under the Corporations Act or the Whistleblower Policy. It applies to Directors, management and employees of the Company (and their relatives), as well as suppliers of the Company (and their employees, contractors, suppliers, consultants and service providers).

A copy of the **Whistleblower Policy** can be accessed on the Company's website under *Investor Centre / Corporate Governance*.

3.4 Anti-Bribery and Corruption Policy

The Board takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, ethically and with integrity in all of its business dealings and relationships. This extends to implementing and enforcing effective systems to counter bribery and corruption, and the Board has established an **Anti-Bribery and Corruption Policy**. Any potential or actual breaches of the Policy are to be reported to the Company's Board.

A copy of the **Anti-Bribery and Corruption Policy** can be accessed on the Company's website under *Investor Centre / Corporate Governance*.

4. Safeguard the Integrity of Corporate Reports

4.1 Audit Committee

The Board has established an Audit and Risk Management Committee. The Committee currently comprises:

- (a) Ms Katherine Barnet – Non-Executive Director (Committee Chair)
- (b) Mr Alexander Downer – Non-Executive Director

The Committee is chaired by a Non-Executive Director (Ms Katherine Barnet) who is not the Chair of the Board. Ms Barnet is also considered by the Company to be an independent Director, as is Mr Downer. Whilst both Ms Barnet and Mr Downer hold options in the Company, the quantum is considered insufficient to impair their independence, having regard to the capital structure of the Company. The formal membership of the Committee is currently less than the recommended minimum of three members.

However, given the current size and scale of the Company's operations, this matter is not considered by the Board to impede the role and effectiveness of the Committee. As the Company's size and scale of operations increases, consideration will be given to appointing further Non-Executive Directors to become members of the Committee.

The Company has adopted an **Audit and Risk Management Charter** setting out the Committee's responsibilities as well as its reporting requirements. The Charter will be reviewed annually to determine whether any changes are necessary. A copy of the Charter can be accessed from the Company's website under *Investor Centre / Corporate Governance*.

From a financial and corporate reporting perspective, the Audit and Risk Management Committee is responsible for:

- (a) monitoring the integrity of the financial statements of the Company, reviewing significant financial reporting judgments;
- (b) reviewing the Company's internal financial control system;
- (c) considering the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditors;
- (d) monitoring and reviewing the external auditor's independence, objectivity and effectiveness, taking into consideration relevant professional and regulatory requirements; and
- (e) developing and implementing policy on the engagements of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm.

The Audit and Risk Management Committee is responsible for reviewing the nomination, performance and independence of the Company's external auditors. BDO Audit Pty Ltd (**BDO**) was appointed as the Company's external auditor in 2022.

4.2 MD and CFO Certification of Financial Statements

Prior to the approval of the Company's financial statements each year, the Managing Director and the Chief Financial Officer confirm in writing to the Board that the financial reports of the Company for the financial year:

- (a) present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards;
- (b) the statement given in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- (c) the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects in relation to financial reporting risks.

4.3 Verification of Periodic Corporate Reports

Being a participant in the natural resources industry, the Company lodges unaudited cash flow statements and activity statements on a quarterly basis with ASX. These reports are prepared by the Company's accounting and operational staff respectively, checked by the Company's CFO, COO and MD, and then circulated to the Board ahead of release to the market. In this way the Company believes these reports are materially accurate, balanced and provide shareholders and interested investors with an appropriate level of information.

The Company's half-yearly financial reports are audit reviewed ahead of publication, and its Annual Financial Report, including the Directors' Report and Remuneration Report, will be subject to audit by the Company's external audit firm.

5. Make Timely and Balanced Disclosure

5.1 Continuous Disclosure Policy

The Board has adopted a **Continuous Disclosure Policy** to ensure compliance with the relevant disclosure requirements of the ASX Listing Rules and the Corporations Act. The Policy sets out: the rules and procedures for ASX information disclosure; the responsibility of the Board, senior Executives and staff to ensure that price sensitive information is identified, reviewed by management and disclosed to ASX in a timely, clear and objective manner; and that all information provided to ASX is posted on the Company's website as soon as possible after its disclosure to ASX.

The Company Secretary manages the Company's compliance with its continuous disclosure obligations, and is responsible for communications with, and coordinating disclosure of information to, ASX.

A copy of the **Continuous Disclosure Policy** is available on the Company's website under *Investor Centre / Corporate Governance*.

5.2 Directors Should Receive Copies of Material Market Announcements

Directors receive advanced copies of all material announcements to be released to ASX, including related information, such as financial statements and public presentations, and are aware of and accountable for, the Company's compliance with regard to its continuous disclosure obligations.

5.3 Release of New Presentations to Market

In order to ensure the equality of information among investors, the Company releases to the market a copy of all new and substantive investor or analyst presentations at the time of delivery. This is a requirement of the Company's **Continuous Disclosure Policy**, a copy of which is available on the Company's website under *Investor Centre / Corporate Governance*.

6. Respect the Rights of Security Holders

6.1 Information on Website

Information about the Company, its operations, and its governance is made available to investors and the general public at: <https://www.goldhydrogen.com.au/>

Information about the Company's corporate governance and related policies is available on the Company's website under *Investor Centre / Corporate Governance*.

6.2 Two-Way Investor Relations Program

The Company is committed to informing shareholders of all major developments affecting the operations of the Company and its commercial and financial state of affairs. Communications with shareholders include:

- (a) the annual report which is to be distributed, or otherwise made available, to all shareholders;
- (b) the half-year financial report;
- (c) quarterly activities and cash flow reports;
- (d) information relevant to the Annual General Meeting and other general meetings called to obtain shareholder approval for significant corporate actions, as appropriate;
- (e) company announcements, reports, presentations, interviews, analyst reports, etc;
- (f) electronic shareholder updates related to the above matters; and
- (g) all of the information available on the Company's website, located at: <https://www.goldhydrogen.com.au/>

The Company welcomes questions from shareholders at any time, and these will be answered promptly unless the information requested is market sensitive and not in the public domain. All announcements made by the Company to ASX are posted to its website.

Shareholders, interested investors and other stakeholders are able to contact the Company via its website, as well as subscribe to its electronic news service.

6.3 Facilitate Participation at Meetings of Security Holders

The Company encourages shareholder participation at its Annual General Meeting (AGM) and other General Meetings (which may be convened from time to time) and intends to ensure that all Notices of Meetings are available on its website and distributed electronically to registered recipients. The Company's external auditor attends the Company's AGM and is available to answer any questions which shareholders may have about the conduct of the external audit for the relevant financial year, and the preparation and content of the audit report.

Shareholders who are unable to attend meetings of the Company are encouraged to participate in meetings by way of the appointment of a proxy.

6.4 Determination of Shareholder Resolutions

The Company will conduct all shareholder meetings on the basis that resolutions to be put to Shareholders are to be determined by poll.

6.5 Facilitate Electronic Communications

The Company has the capability to communicate with shareholders electronically through its website and email communications. Electronic contact details are provided on the Company's website.

The Company also operates Twitter and LinkedIn accounts to facilitate shareholder updates on alternative platforms. The Company also has an electronic newsletter to distribute industry and company related news and articles of interest.

7. Recognise and Manage Risk

7.1 Risk Committee

The Board has not set up a stand-alone risk committee, but has established a combined Audit and Risk Management Committee, which – from a risk perspective – is responsible for:

- (a) ensuring the development of an appropriate risk management policy framework that provides guidance to management in implementing appropriate risk management practices throughout the Company's operations, practices and systems;
- (b) defining and periodically reviewing risk management as it applies to the Company and clearly identify all the stakeholders;
- (c) ensuring that the Committee clearly communicates the Company's risk management philosophy, policies and strategies to Directors, senior Executives, employees, contractors and appropriate stakeholders;
- (d) ensuring that Directors and senior Executives establish a risk aware culture which reflects the Company's risk policies and philosophies;
- (e) reviewing methods of identifying broad areas of risk and setting parameters or guidelines for business risk reviews; and
- (f) considering capital raising, treasury and market trading activities with particular emphasis on risk treatment strategies and appropriate levels of organisational authority.

The Company has adopted an **Audit and Risk Management Charter** setting out the Committee's responsibilities as well as its reporting requirements. The Charter will be reviewed annually to determine whether any changes are necessary. A copy of the Charter can be accessed from the Company's website under *Investor Centre / Corporate Governance*.

7.2 Annual Risk Review and Disclosure

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to Company management. Management is required by the Board to report back on the efficiency and effectiveness of risk management. A comprehensive review of all relevant risks was undertaken in the lead up to the Company's January 2023 IPO, as detailed in its prospectus. The Board intends for a comprehensive risk review process to be conducted at least annually.

The risk profile of the Company contains both financial and non-financial factors including operational, field and geological risks, and a range of commodity, capital market, financial and corporate risks.

As part of its regular risk management practices, the Company has in place an experienced Board, has adopted a schedule of regular Board meetings, has incepted an Audit and Risk Management Committee, has adopted a **Delegation of Authority** regime and a **Fraud Control Policy**, is subject to six-monthly financial audits, has a purchase order system, documented invoice authorisation and payment procedures (with a documented audit trail), and undertakes a rigorous appraisal of proposed project expenditures prior to commitment.

The Company's risk management framework was further developed and updated during the year ended 30 June 2023, and undergoes constant review as the Company's project related activities evolve.

7.3 Internal Audit or Alternative Approach

The Company does not have a formal internal audit function due to its relatively recent formation and the current size and scale of its operations. The Audit and Risk Management Committee will monitor the future requirements for an internal audit function. The Company's management – under advisement from its external auditors – periodically undertakes internal reviews of the Company's financial systems and processes, and where systems are considered inadequate or require improvement, better systems are developed or purchased.

At this stage the Company's operational and financial functions are not complex, and all expenditure authorizations include the MD and the CFO or COO. All suppliers are known to the Company's management, and any irregular and unrecognized expenses are routinely queried and discussed with one of the three personnel noted above. The Company has purchased a system for invoice approval and payment authorisation procedures, together with a system of manual checks including supplier activity verification and bank detail confirmation.

The Company's Board has implemented a **Delegation of Authority** regime as part of its governance and risk management processes, under which the MD and other senior Executives execute on the Company's strategic objectives and business plans within agreed Board-sanctioned financial limits.

The Company's range of risk, governance, safety and employment-related policies and practices are to be periodically reviewed (and if required, updated) by the Company's MD, CFO, and COO. Any substantial changes or additions are approved by the Board ahead of implementation.

7.4 Sustainability Risks and Management

The Company, as an exploration company, faces inherent risks in its activities, including economic, environmental and social sustainability risks which may have a material impact on the Company's ability to create value for its shareholders.

The Board monitors the ongoing operational and financial performance of the Company's activities. Furthermore, the Board receives advice from management and consultants on areas of operational and financial risks, and consider strategies for appropriate risk management. All operational and financial strategies are aimed at improving the value of the Company's assets, and its potential impact on the environment, the community and its range of stakeholders.

The Company's Corporate Governance framework includes a Charter for an Environment, Social and Governance (**ESG**) Committee to review and monitor the Company's assessment and management of its ongoing social and environmental risks. However, given the current size and scale of the Company's operations, the Board currently performs the functions of this Committee, and where necessary seeks the advice of external advisors in relation to this role.

The Board shall, upon the Company reaching the requisite corporate and commercial maturity, approve the constitution of an ESG Committee to assist the Board in relation to the oversight of the Company's activities and policy framework in this area.

In line with its **Core Values**, the Company intends conduct all of its activities in a responsible, sustainable manner, mindful of the potential human, economic, social and environmental impacts of its actions. The Company, through its activities and ultimate objectives, plans to make a positive contribution to decarbonisation and the green energy sector.

The Board has adopted a **Sustainability Policy**, which is available on the Company's website under *Investor Centre / Corporate Governance*. The Company also intends to publish an annual Sustainability Report at the same time as its Annual Report.

8. Remunerate Fairly and Responsibly

8.1 Remuneration Committee

Rather than a Remuneration Committee, the Company's Board has formed a People, Culture and Resources Committee, which is responsible for – amongst other things - reviewing and making recommendations to the Board on Director and senior Executive remuneration packages and frameworks. The Committee intends to meet at least annually, or at such intervals as required to fulfill its obligations in this regard.

The Committee currently comprises:

- (a) Ms Katherine Barnet – Independent Non-Executive Director (Committee Chair)
- (b) Mr Alexander Downer – Independent Non-Executive Director

The Committee is chaired by Ms Katherine Barnet, who is considered an independent Director. The Committee is comprised of two members who are both considered to be independent Non-Executive Directors. The formal membership of the Committee is currently less than the recommended minimum of three members. However, given the current size and scale of the Company's operations its current membership is not considered by the Board to impede its role and effectiveness.

As the Company's size and scale of operations increases, consideration will be given to appointing further Non-Executive Directors to re-constitute the membership of the Committee in line with best practice standards.

The Board has adopted a **People, Culture and Resources Committee Charter**, which is available on the Company's website under *Investor Centre / Corporate Governance*.

8.2 Disclosure of Executive and Non-Executive Director Remuneration Policy

The Board of Directors is ultimately responsible for determining and reviewing compensation arrangements for the Directors and the Executive Management of the Company. Based on the input and recommendations of the People, Culture and Resources Committee, the Board assesses the appropriateness of the nature and amount of remuneration of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and Executive Management.

Disclosure of the remuneration details for Directors and Executives (Key Management Personnel) is outlined in the **Remuneration Report** segment of the Company's **Annual Report**, and is audited by the Company's external auditors.

The remuneration of the Company's Executive Management and the Executive Directors is fixed and reviewed by the Board, with input from the People, Culture and Resources Committee, and comprises a fixed remuneration component and may also include specific short and long-term incentives in the form of performance-based salary increases and/or bonuses; and/or the issue of options or other performance related securities.

All of the Company's Directors were awarded unlisted options in the lead up to the Company's IPO (exercisable at various multiples of the IPO price). This includes Non-Executive Directors Alexander Downer and Katherine Barnet. The quantum of options held by each is not considered to impair the independence of the Non-Executive Directors given the Company's capital structure.

8.3 Equity-Based Remuneration Scheme

The Company's Share Trading Policy specifically prohibits Directors and senior Executives from engaging in short-term trading in the Company's securities. The Policy also stipulates that participants may not enter into transactions which limit the economic risks of participating in any equity-based remuneration scheme. The **Share Trading Policy** can be accessed on the Company's website under *Investor Centre / Corporate Governance*.