

Board Charter

This Charter sets out the role, responsibilities, structure and processes of the Board of directors of CI Resources Limited (CI Resources or the Company).

1 Roles and Responsibilities

- 1.1 The role of the Board is to approve the strategic direction of CI Resources, guide and monitor the management of the Company in achieving its strategic plans, review, approve and monitor the Company's risk management systems across its businesses, and to oversee overall good governance practice.
- 1.2 The Board is responsible for:
 - (a) approving the Company's strategy, business plans and policies;
 - (b) monitoring the Company's strategic direction and portfolio of activities, and the associated risks;
 - (c) reviewing, approving and monitoring the Company's risk management systems, including internal compliance and control mechanisms;
 - (d) approving the annual report and financial statements (including the directors' report and remuneration report) and any other published reporting, upon recommendation from the Audit, Risk Management Committee, and in accordance with the Constitution, *Corporations Act*, ASX Listing Rules and any other applicable regulations;
 - (e) approving and monitoring the progress of major capital expenditure, capital management and capital raising initiatives;
 - (f) approving and monitoring any asset acquisitions, and any investments or divestments by the Company or its subsidiaries, upon recommendation from the Investment Committee;
 - (g) approving the dividend policy of the Company and authorising payment of dividends;
 - (h) overseeing the Company's accounting and corporate reporting systems and appointing, re-appointing or removing the Company's external auditors and approving the auditor's remuneration, upon recommendation from the Audit, Risk Management Committee;
 - (i) approving and monitoring the effectiveness of the Company's system of corporate governance, including formation of Board committees and the terms of applicable governing charters;
 - (j) approving the Company's Code of Conduct, Continuous Disclosure Policy and other Company level policies, and monitoring their effectiveness;

- (k) approving the overall remuneration policy, including non-executive director remuneration, executive director and senior executive remuneration; and any executive incentive plans, upon recommendation from the Remuneration and Nomination Committee;
- (l) determining the size, composition and structure of the Board, and the process for evaluating its performance;
- (m) appointing and removing the Managing Director, and approving the remuneration of and overseeing the performance review of the Managing Director;
- (n) approving and reviewing succession plans for the Managing Director and the Executive Management Team;
- (o) reviewing annually the Company's diversity initiatives and progress towards their achievement;
- (p) monitoring the Company's performance in delivering its strategic plans;
- (q) approving and monitoring the systems and policies to ensure integrity of budgets, financial statements and other reporting;
- (r) overseeing and approving strategies for the Company to maintain a strong balance sheet and sound credit rating over time;
- (s) overseeing the management of the Company's interactions and communications with shareholders and the broader community; and
- (t) reviewing the division of functions and responsibilities between the Board, Managing Director and Executive Management Team.

2 The Role of Management

- 2.1 The day-to-day management of the Company and its businesses is the responsibility of the Managing Director, supported by the Executive Management Team.
- 2.2 The Board delegates to the Managing Director all powers to manage the day-to-day business of the Company, subject to those powers reserved to the Board in clause 1 and any specific delegations of authority approved by the Board.
- 2.3 The key responsibilities of the Managing Director are to:
 - (a) manage and administer the day-to-day operations of the Company and its businesses in accordance with the strategy, business plans and policies approved by the Board;
 - (b) develop strategies for the Company, its businesses and management, and make recommendations to the Board on such strategies;
 - (c) develop the Company's annual budget and conduct the Company's activities within the approved annual budget;
 - (d) develop strategies for the Company to maintain a strong balance sheet and sound credit rating over time;

- (e) develop and maintain the Company's risk management systems, including internal compliance and control mechanisms;
- (f) ensure compliance with the Company's continuous disclosure obligations, in accordance with the role and responsibilities delegated under the Continuous Disclosure Policy;
- (g) assign responsibilities clearly to the Executive Management Team, and supervise and report on their performance to the Board;
- (h) recommend to the Board significant operational changes, and major capital expenditure, acquisitions or divestments, which are beyond delegated thresholds;
- (i) report regularly to the Board with accurate, timely and clear information, such that the Board is fully informed to discharge its responsibilities effectively;
- (j) exercise such additional powers as are delegated to the Managing Director by the Board from time to time; and
- (k) support a culture within the Company that promotes ethical and responsible behaviour.

3 Composition, Size and Structure of the Board

3.1 **Composition** The Board is responsible for determining an appropriate mix of skills, knowledge, experience, expertise and diversity on the Board, necessary to review and approve the strategic direction of the Company, and to guide and monitor the management of the Company, upon recommendation from the Remuneration and Nomination Committee.

3.2 **Size** The number of directors on the Board shall be determined in accordance with the Constitution and the requirements of the *Corporations Act*.

3.3 **Qualifications** The Remuneration and Nomination Committee is responsible for reviewing Board composition, skills and experience, and making recommendations in relation to Board appointments and re-elections, including preparing a description of the role and capabilities required for a particular Board appointment, identifying suitable candidates to fill Board vacancies as and when they arise, and nominating candidates for the approval of the Board.

3.4 **Tenure**

(a) The Board will review periodically its composition and the duration of terms served by directors, upon recommendation from the Remuneration and Nomination Committee. The Remuneration and Nomination Committee is responsible for developing and reviewing the succession plans of the Board (including the role of Chairman), with the aim of maintaining an appropriate mix of skills, experience, expertise and diversity on the Board over time.

(b) The Remuneration and Nomination Committee is responsible for identifying existing directors who are due for re-election by rotation at Annual General Meetings, in accordance with the Constitution and the requirements of the ASX Listing Rules, and notifying the Board.

- (c) Each non-executive director shall take into account the views of other non-executive directors of the Company when deciding whether to stand for re-election.
 - (d) An executive director shall tender their resignation as director immediately upon cessation of employment with the Company.
- 3.5 **Performance Review** The Board is responsible for undertaking a formal evaluation process to review its performance and that of its committees once every two years. The Remuneration and Nomination Committee is responsible for scheduling these formal reviews.

4 Appointment and Responsibilities of Chairman

- 4.1 The Board shall appoint a Chairman in accordance with the Constitution.
- 4.2 The Chairman must be one of the non-executive directors who satisfy the criteria for independence in clause 9.
- 4.3 The role of Chairman must not be held by someone who is performing the role of Managing Director.
- 4.4 The Chairman must retire from that position at the expiration of ten years unless the Board decides otherwise.
- 4.5 The appointment of the Chairman shall be formally reviewed at the end of each three year period.
- 4.6 The responsibilities of the Chairman are to:
 - (a) maintain effective communication between the Board and management;
 - (b) lead the Board;
 - (c) ensure the efficient organisation and conduct of the Board's function;
 - (d) brief all directors in relation to issues arising at Board meetings;
 - (e) chair general meetings of the Company; and
 - (f) exercise such specific and express powers as are delegated to the Chairman by the Board from time to time.

5 Company Secretary

- 5.1 The Board must appoint at least one secretary in accordance with the Constitution.
- 5.2 Appointment and removal of the Company Secretary is subject to Board approval.
- 5.3 The Company Secretary is accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.
- 5.4 Each director has a right of access to the Company Secretary at all times.
- 5.5 The role of the Company Secretary includes:
 - (a) assisting the Board and Board committees on governance matters;
 - (b) monitoring Board and committee policy and procedures;

- (c) coordinating the timely completion and dispatch of Board and committee papers;
- (d) ensuring that the business at Board and committee meetings is accurately captured in the minutes; and
- (e) helping to organise and facilitate the induction and professional development of directors.

6 Committees of the Board

- 6.1 The Board may from time to time establish and delegate any powers to a committee of the Board in accordance with the Constitution.
- 6.2 The Board is responsible for approving and reviewing the charter terms and membership of each committee established by the Board.
- 6.3 The Board has established the following committees:
 - (a) Audit, Risk Management Committee;
 - (b) Investment Committee; and
 - (c) Remuneration and Nomination Committee;
- 6.4 All non-executive directors shall be entitled to attend meetings of Board committees where there is no conflict of interest.

7 Board Meetings

- 7.1 The Board shall meet at least four times per year, and otherwise as often as the directors determine necessary to enable the directors and the Board to fulfil their duties and responsibilities to the Company.
- 7.2 A director may call a meeting of the directors, and the Company Secretary must, if requested by a director, call a Board meeting.
- 7.3 The Company Secretary is responsible for distributing Board meeting papers to directors prior to each meeting.
- 7.4 A quorum for a Board meeting shall be determined in accordance with the Constitution.
- 7.5 The Chairman is responsible for the conduct of all Board meetings, including briefing all directors in relation to the issues arising at Board meetings. The Chairman has a casting vote, subject to the terms of the Constitution.
- 7.6 Draft minutes of each Board meeting shall be prepared by the Company Secretary promptly following the meeting for review by the Chairman.

8 Ethical Standards and Legal Duties

- 8.1 Each director shall abide by the terms of the Company's Code of Conduct, and are expected to uphold the ethical standards and corporate behaviour described in the Code.
- 8.2 **Duties** The Board will operate in a manner reflecting the values of the Company and in accordance with its agreed corporate governance guidelines, the Constitution, the *Corporations Act* and all other applicable regulations.

- 8.3 **Conflicts of interest** Each director has a fiduciary and statutory duty not to place themselves in a position which gives rise to a real or substantial possibility of conflict, whether it be a conflict of interest or conflict of duties. In accordance with the Company's Conflicts of Interest Policy, each director is required:
- (a) to ensure that the Board is notified (whether by formal standing notice or notification to the Company Secretary or Board immediately on becoming aware) of any interest which may give rise to a real or substantial possibility of conflict, including any material personal interests; and
 - (b) if any matter is or likely to be brought before the Board which could give rise, or be perceived to give rise, to a real or substantial possibility of conflict, then the director:
 - shall disclose this to the Board;
 - shall continue to receive Board papers or other information which relates to the matter which is the subject of the conflict of interest, unless the director requests, or the Chairman determines, that he or she shall not receive any or all of those documents; and
 - shall withdraw from any part of a Board or Board Committee meeting for the duration of any discussion and not vote on the matter, unless a majority of directors who do not have an interest in the matter resolve that the disclosed interest should not disqualify the director.
- 8.4 **Dealing in shares** Directors must ensure any dealings in shares are in strict compliance with the Company's Securities Trading Policy and otherwise in accordance with the values of honesty and integrity.

9 Independence of Directors

- 9.1 If a director is or becomes aware of any information, facts or circumstances which will or may affect that director's independence, the director must immediately disclose all relevant details in writing to the Company Secretary and the Chairman.
- 9.2 The Board will regularly assess the independence of each director in light of disclosures made in accordance with clause 9.1.
- 9.3 If the Board determines that a director's status as an independent director has changed, that determination should be disclosed and explained in a timely manner to the market.
- 9.4 An independent director is a non-executive director who is not a member of management and who is free of any interest, position, association, business or other relationship that might influence or be perceived to influence, in a material respect, the independent exercise of their judgement.
- 9.5 In considering whether a director is independent and the criteria against which the Board determines the materiality of a relationship, the Board is to have regard to:

- (a) the relationships affecting the independent status of a director as described in the ASX Corporate Governance Principles and Recommendations;
- (b) the materiality guidelines applied in accordance with Australian accounting standards;
- (c) developments in corporate governance standards; and
- (d) any independent professional advice sought by the Board at its discretion.

The Board considers a relationship to materially influence, or be perceived to materially influence, a director's independent judgement, where it is of substance and consequence and there is a real and sensible possibility that it would affect the director's judgement.

10 External Directorships

Non-executive Directors

- 10.1 A non-executive director should continually evaluate the number of boards of companies (and any committees of those boards) on which the non-executive director serves, to ensure that each company can be given the time and attention to detail required to properly exercise the director's powers and discharge the director's duties to that company, in addition to any review by the Remuneration and Nomination Committee of the time commitments required by the non-executive directors and whether these time commitments are being met.
- 10.2 A non-executive director shall notify the Chairman prior to accepting an invitation to become a director of any company (other than CI Resources Limited or any related body corporate). Prior to accepting such an invitation, the director must have regard to:
 - (a) the views and recommendations of the Chairman with respect to the director acting simultaneously as a director of the Company and as a director of an external entity (whether in competition with the Company or not);
 - (b) any current policies of the Board on multiple directorships; and
 - (c) best practice standards on multiple directorships.

Executive Directors

- 10.3 An executive director shall not accept an invitation to become a director of any company (other than CI Resources Limited or any related body corporate) without the prior approval of the Board.

11 Independent Advice

- 11.1 The Board collectively, and each director individually, may obtain independent professional advice at the Company's expense, as considered necessary to assist in fulfilling their relevant duties and responsibilities.

11.2 Individual directors who wish to obtain independent professional advice should seek the approval of the Chairman (acting reasonably), and will be entitled to reimbursement of all reasonable costs in obtaining such advice. In the case of a request made by the Chairman, approval is required by the Chairman of the Audit, Risk Management Committee.

12 Confidentiality

The directors acknowledge that all proceedings of the Board and its committees are strictly confidential and will not be disclosed to any person other than Board members, except as agreed by the Board or as required by law.

13 Review of Charter

The Board will from time to time review the Charter to ensure that it meets best practice standards, complies with the ASX Corporate Governance Principles and Recommendations and meets the needs of the Company and the Board.