



## **Saracen Mineral Holdings Limited**

### **Board Charter**

#### **A. FUNCTION**

This Charter sets out the role, responsibilities, structure and processes of the Board of Directors of **Saracen Mineral Holdings Limited** (the “**Company**”).

The function of the Board is to represent shareholders and to promote and protect the interests of Saracen Mineral Holdings Limited by governing the Company. The Board is to provide leadership for, and supervision of, the Company’s senior management. The Board provides the strategic direction for the Company and measures the progress of senior management in achieving the Company’s objectives. The Board must exercise care and diligence and not improperly use the position or information obtained.

#### **B. COMPOSITION**

The Board is to consider the structure of the Board relative to the Company’s activities in terms of size, nature and scope and also the implementation of additional corporate governance policies as required.

While election of Board members is substantially the province of the shareholders in general meetings, where new appointments are being considered, the Board is committed to the following principles:

- a) The Board is to comprise persons with a blend of skills, experience and attributes appropriate for the Company, its business and strategic direction; and
- b) The principal criterion for the appointment of new Directors is their ability to add value to the Company and its business.

It is a priority of the Board to achieve an appropriate balance between independent and non-independent representation. The Board will endeavour to ensure that there is a majority of independent Directors at all times. In determining whether or not a Director is independent, the Board will apply the criteria as set out in the ASX Corporate Governance Recommendations.

Where the Chair has a conflict of interest or is deemed not to be independent on a matter being considered by the Board, the Chair of the Audit Committee (or an independent Director who does not have a conflict of interest if the Chair of the Audit Committee is also conflicted or deemed not independent) is to take over the role of Chair for the duration of the consideration of that matter.

## **C. BOARD MEETINGS**

In accordance with the Company's Constitution, there must be two (2) Directors present at a meeting to constitute a quorum. The Board will schedule formal Board meetings at intervals that they determine to be appropriate for the scale and scope of the Company's business. Meetings may be held by electronic means including by telephone and video link. Non-executive Directors may confer without management being present.

The Company Secretary shall distribute supporting papers for each meeting of the Board as far in advance as practicable. The minutes of each Board meeting shall be prepared by the Company Secretary, approved by the Chair and/or the Managing Director and circulated to Directors after each meeting. Minutes of meetings should be approved at the next Board meeting where possible.

Full details regarding Board meetings are set out in the Company's Constitution.

## **D. RESPONSIBILITIES OF THE BOARD**

To fulfil its role the Board is responsible for:

- a) Acting on behalf of, and being accountable to, the shareholders;
- b) Providing strategic direction (formulating and/or contributing to the strategy; approval of the strategy, including business plans and budgets)
- c) Developing initiatives for profit and asset growth, setting strategic operational and financial objectives, and monitoring progress against these objectives;
- d) Identifying business risks and implementing actions to manage those risks and corporate systems to assure quality;
- e) Reviewing the corporate, commercial and financial performance of the Company on a regular basis, including:
  - Overseeing the Company's commitment to the health and safety of employees and contractors, the environment and sustainable development; and
  - Overseeing the activities of the Company, including its control and accountability systems;
- f) Appointing and removing the Managing Director and Company Secretary, evaluating their performance, reviewing their remuneration and ensuring an appropriate succession plan;
- g) Empowering the Managing Director to evaluate the performance of all other employees, including developing appropriate succession plans and reviewing their remuneration levels;
- h) Ensuring that there are effective corporate governance policies and practices in place and that these are in compliance with the recommendations of the ASX

Corporate Governance Council as detailed under in their Corporate Governance Principles and Recommendations;

- i) Approving and monitoring budgets, capital management, acquisitions and divestments;
- j) Approving and monitoring all financial reporting to the market including approving the annual report and financial statements (including the Directors' Report and remuneration report);
- k) Overseeing the Company's responsibility for, and commitment to, environmental and social standards;
- l) Approving the issue of any shares, options, equity instruments or other securities in the Company (subject to compliance with the ASX Listing Rules where applicable);
- m) Approving the dividend policy of the Company and authorising their payment;
- n) Determining the size, composition and structure of the Board to ensure appropriate mix of skills, experience, expertise and diversity on the Board;
- o) Setting up, administering and determining the size, structure and composition of Board Committees as required from time to time;
- p) Appointment and removal of the Company's external auditors; and
- q) Formal determinations that are required by the Company's constitutional documents or by law or other external regulation;
- r) Reviewing its own processes and effectiveness to ensure Directors are fulfilling their responsibilities in a manner that serves the interests of shareholders.

These responsibilities are designed to provide strategic guidance for the Company and effective oversight of management.

## **E. RESPONSIBILITIES OF THE MANAGING DIRECTOR**

The Board delegates the day-to-day authority for management of the Company's business within the limits and policies imposed by the Board to the Managing Director (or equivalent) supported by the executive management team.

The key responsibilities of the Managing Director (or equivalent) are:-

- 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) Attraction, retention and motivation of the staff and ensuring an effective organisational structure;

- c) Develop strategies for the Company and its operations and make recommendations to the Board on such strategies;
- d) Presentation of the Company and communication of the Company's strategy to relevant stakeholders.
- e) Develop and present the Company's annual budget and manage the operations within the approved budget and business plans;
- f) Ensure compliance with the Company's corporate governance requirements including its continuous disclosure obligations;
- g) Assign responsibilities to, and manage the executive management team;
- h) Report to the Board in a timely manner on operational, financial, capital expenditure and strategic aspects of the Company's business; and
- i) Any additional powers or responsibilities delegated to the Managing Director from time to time by the Board.

#### **F. RESPONSIBILITIES OF THE CHAIR**

The Board will appoint a Chair in accordance with the Company's Constitution.

The Chair is responsible for:-

- a) The leadership of the Board;
- b) Effectively run board meetings with focus on matters that are appropriate and about which the board is in a position to make a decision;
- c) The efficient organisation and conduct of the Board's function;
- d) The briefing of all Directors in relation to issues arising at Board meetings;
- e) Monitoring shareholder communication, continuous disclosure compliance and Board performance;
- f) Chair general meetings of the Company; and
- g) Exercise such specific and express powers as are delegated to the Chair by the Board from time to time.

#### **G. RESPONSIBILITIES OF INDIVIDUAL DIRECTORS**

Individual Directors should devote the necessary time and effort to the tasks entrusted to them. All Directors should consider the number and nature of their directorship and other time commitments and the allocation of their time to their commitments.

A Director shall notify the Chair prior to accepting any invitation to become a director of any company outside the Saracen Group. If the invitation is to the Chair, they shall advise the Chair of the Nomination Committee. That Director should take into

consideration the view and recommendations of the other directors before accepting such new appointment.

An Executive Director shall not accept an invitation to become a director of an outside company without the prior approval of the Board.

## **H. PROCESS FOR EVALUATING BOARD PERFORMANCE**

The Board will undergo periodic formal assessment processes, including assessment of the Board's committees, where applicable. An independent third party consultant may be used to facilitate the assessment.

The Board will also undertake periodic informal assessments as required from time to time.

## **I. ACCESS TO INDEPENDENT ADVICE**

Each Director has the right, so long as they are acting reasonably in the interests of the Company and in the discharge of their duties as a Director, to seek independent professional advice and to recover the reasonable costs of that advice from the Company. The advice shall only be sought after consultation about the matter with the Chair (where it is reasonable that the Chair be consulted) or, if it is the Chair that wishes to seek the advice or it is unreasonable that the Chair is consulted, another Director. The advice is to be made available immediately to all Board members other than any Director against whom privilege is claimed.

## **J. COMPANY SECRETARY**

The Board must appoint at least one Company Secretary in accordance with the Company's Constitution.

The Company Secretary will facilitate the flow of information between the Board members, between the Board and its Committees and between senior executives and Non-executive Directors as and when requested by the Board.

The Company Secretary is to:

- a) facilitate the induction of new Directors;
- b) facilitate the implementation of Board policies and procedures; and
- c) provide information to the Board on corporate governance matters, the application of the Company's constitution, the ASX Listing Rules and other relevant laws.

All Directors have access to the advice and services provided by the Company Secretary. The Board has the responsibility for the appointment and removal of the Company Secretary.

## **K. STANDARDS AND LEGAL DUTIES**

The Board will operate in a manner that reflects the Core Values of the Company and in accordance with its agreed corporate governance guidelines, the Company's Constitution, the Corporations Act, the ASX Listing Rules and all other applicable regulations.

Each Director shall abide by the terms of the Company's Code of Conduct and is expected to uphold the standards and behaviour described in that Code of Conduct.

Each Director has a fiduciary duty to avoid conflicts between their own interest and their duties to the Company. Each Director is required to ensure that the Board is notified, either by standing notice or by immediate declaration, of any interest which may give rise to a real or likely conflict of interest.

If any matter is, or is likely to, come before the Board which could give rise to, or be perceived to give rise to, a conflict of interest, then the Director shall disclose this to the Board immediately.

In such a circumstance, the Director is entitled to continue to receive Board papers and other information which relates to the matter unless the Chair or the Board determines that the Director shall not receive any or all of those documents.

A Director that has advised of a conflict of interest shall withdraw from any part of the Board or Committee meeting when that matter is being discussed or voted on unless a majority of the other Directors have resolved that the disclosed interest should not disqualify the notifying Director.

Directors must ensure any dealings in securities of the Company are done in strict compliance with the Company's *Securities Trading Policy*.

## **L. DISCLOSURE POLICY**

The Board should ensure that the Company has in place effective disclosure policies and procedures so that shareholders and the financial market are fully informed to the extent required by the applicable disclosure rules and legislation on matters that may influence the share price of the Company or its listed debt securities.

A formal review process and procedure is outlined in the Company's *Continuous Disclosure Policy*.

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

The Board shall review this Charter at least annually.

Date of revision: 21 August 2018