

The Board of Resolute Mining Limited (**Resolute** or **Company**) is responsible for the corporate governance of the consolidated entity (**Group**). The Board guides and monitors the business and affairs of the Company on behalf of the Company's shareholders (**Shareholders**) by whom they are elected and to whom they are accountable.

During the relevant year, the Board adopted the "Corporate Governance Principles and Recommendations Third Edition" established by the ASX Corporate Governance Council and published by the Australian Securities Exchange (**ASX**) in March 2014. The Company will adopt the Fourth Edition of the Council's Corporate Governance Principles and Recommendations which were released on 27 February 2019 for its financial year commencing on 1 January 2020.

A description of the Company's main corporate governance practices is set out below. All practices, unless otherwise stated, were in place for the entire year. We have set out our practices in line with the principles established by the ASX.

This Corporate Governance Statement has been approved by the Board and is accurate and up to date as at 31 December 2018 unless a later date is specified.

This Corporate Governance Statement makes various references to information contained in the Company's Annual Report for the six month period ended 31 December 2018 (**Annual Report**). A full copy of the Annual Report can be viewed [here](#).

## 1. LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

### 1.1 The Board of Directors and Management

The Board has a Board Charter that outlines the functions reserved to the Board and those delegated to management. A copy of the Board Charter can be viewed [here](#).

The Board is responsible for the overall management, strategic direction and corporate governance of the Company and for delivering accountable corporate performance in accordance with the Company's goals and objectives. As part of its responsibilities, the Board is required to:

- provide strategic direction to the Group, maximise performance, generate appropriate levels of Shareholder value and financial return and sustain the growth and success of the business;
- monitor the operational and financial position of the Company specifically and the Group generally;
- ensure that the principal risks faced by the Group are identified and oversee that appropriate control and monitoring systems are in place to manage the impact of these risks;
- appoint (and where appropriate, remove) the CEO and monitor other key executive appointments; and
- evaluate the performance of the CEO and through the CEO, receive reports on the performance of other senior executives in the context of the attainment of the Group's strategies and objectives.

The CEO is responsible for the management, operations and running of the day-to-day affairs of the Group under delegated authority from the Board.

Further details of the responsibilities of the Board and CEO (and management under sub-delegation from the CEO) can be found in the Board Charter.

### 1.2 Board appointments

The Company undertakes appropriate checks on Director candidates, including checks on the person's character and experience, before either appointing a person as a Director or putting that person forward as a candidate for election or appointment.

Details of the members of the Board including their experience, expertise and qualifications are set out in the Directors' Report under the heading "Directors" in the Annual Report.

## 1.3 Board agreements

The Company has a written agreement in place with each Director and senior executive which sets out the terms of their appointment. Material variations to these agreements are disclosed to the ASX to the extent required by the ASX Listing Rules.

## 1.4 Company Secretary

The Company Secretary has a direct line of communication with all Directors and is directly accountable to the Board, through the Chairman, on all matters relating to the proper functioning of the Board. The Company Secretary is responsible for advising the Board and its Committees on governance, policy and procedural issues and the preparation of Board papers and minutes.

## 1.5 Diversity

In accordance with best governance practice, a diversity and inclusion policy has been established which includes the review of diversity within the Group by considering Board composition, executive composition and employee composition by gender.

The Company's Diversity and Inclusion Policy applies to all employees of the Group. Details of the policy are set out on the Company's website [here](#).

The goal of the Diversity and Inclusion Policy is to have a high performing workforce that takes into account and recognises the communities in which we operate. The Directors have set measurable objectives towards establishing this goal. Details of these objectives and the progress towards achieving them are provided in the table below.

Measurable Objective	Activity During Year ended 31 December 2018																								
<p>To include in the Nomination Committee Charter responsibility for diversity, including an annual review and report to the Board on the:</p> <p>(a) progress towards achieving these measurable objectives and overall effectiveness of the policy;</p> <p>(b) proportion of women and men in the Company's workforce at three levels in the organisation (Board level, senior management and the whole organisation), including benchmarking this data against relevant industry standards where possible; and</p> <p>(c) remuneration by gender together with any recommendations to the Board.</p>	<p>During the year ended 31 December 2018, Ms Sabina Shugg was appointed to the Board as Non-Executive Director and Mr Bill Price retired from the Board prior to the Company's Annual General Meeting in October 2018.</p> <p>The proportion of females and males in the Group (Australian data only) is detailed in the table below. Benchmarking data specific to Mining from the Workplace Gender Equality Agency (<b>WGEA</b>) (where available) is also detailed.</p> <table border="1"> <thead> <tr> <th></th> <th>Women</th> <th>Men</th> <th>WGEA Women<sup>1</sup></th> </tr> </thead> <tbody> <tr> <td>Board<sup>2</sup></td> <td>16.7%</td> <td>83.3%</td> <td>N/A</td> </tr> <tr> <td>KMP<sup>2</sup></td> <td>33.3%</td> <td>66.7%</td> <td>16.4%</td> </tr> <tr> <td>Senior Managers<sup>2</sup></td> <td>0.0%</td> <td>100.0%</td> <td>17.9%</td> </tr> <tr> <td>Other Managers<sup>2</sup></td> <td>12.5%</td> <td>87.5%</td> <td>17.5%</td> </tr> <tr> <td>Overall<sup>2</sup></td> <td>21.3%</td> <td>78.7%</td> <td>16.7%</td> </tr> </tbody> </table> <p><sup>1</sup> WGEA Mining Industry Benchmark data from 2017-2018  <sup>2</sup> As at 31 March 2018 and as detailed in Resolute's WGEA Report</p>		Women	Men	WGEA Women <sup>1</sup>	Board <sup>2</sup>	16.7%	83.3%	N/A	KMP <sup>2</sup>	33.3%	66.7%	16.4%	Senior Managers <sup>2</sup>	0.0%	100.0%	17.9%	Other Managers <sup>2</sup>	12.5%	87.5%	17.5%	Overall <sup>2</sup>	21.3%	78.7%	16.7%
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Measurable Objective	Activity During Year ended 31 December 2018																											
To seek to engage where possible consultants and contractors that support and promote the Company's diversity and inclusion policy.	<p>The Company has specifically requested that recruiters present a diverse range of candidates.</p> <p>The Diversity and Inclusion Policy is available on the Resolute web page and included in the Resolute Corporate Services Induction.</p>																											
To ensure that candidate lists for permanent employee positions are suitably qualified and where possible recognisably diverse by age, sex and/or ethnicity.	<p>The Company is focused on attracting a diverse range of candidates. 32% of new employees hired during the reporting period ended 31 December 2018 were female. There was an improvement in female representation since the WGEA reporting in March 2018, with female representation in Australia increasing to 22.3%.</p> <p>Female representation in the Group as at 31 December 2018 is shown in the table below:</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Australia</th> <th colspan="2">Africa</th> <th colspan="2">Total</th> </tr> <tr> <th>Male</th> <th>Female</th> <th>Male</th> <th>Female</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td><b>All Employees</b></td> <td>77.7%</td> <td>22.3%</td> <td>94.4%</td> <td>4.6%</td> <td>89.5%</td> <td>9.8%</td> </tr> <tr> <td><b>All Managers</b></td> <td>79.2%</td> <td>20.8%</td> <td>92.9%</td> <td>7.1%</td> <td>84.2%</td> <td>15.8%</td> </tr> </tbody> </table>		Australia		Africa		Total		Male	Female	Male	Female	Male	Female	<b>All Employees</b>	77.7%	22.3%	94.4%	4.6%	89.5%	9.8%	<b>All Managers</b>	79.2%	20.8%	92.9%	7.1%	84.2%	15.8%
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To consider diversity when reviewing Board succession plans with the aim to have gender representation and diversity.	<p>Ms Sabina Shugg was appointed to the Board as Non-Executive Director on 7 September 2018. Mr Bill Price retired from the Board prior to the Company's Annual General Meeting in October 2018. Female representation on the Board as at the date of this statement is 33.3%.</p>																											

## 1.6 Board Performance Evaluation

The Company has a Performance Evaluation Process for periodically evaluating the performance of the Board, its Committees, individual Directors and senior executives which can be viewed [here](#).

The Chairman and the Board regularly discuss the performance of the Board, the performance of the individual Directors (including the CEO) and the Committees of the Board. The Chairman is responsible for meeting with the individual Directors to discuss their performance and contribution to the Board.

The performance of the Board was continually assessed during the year ended 31 December 2018.

## 1.7 Senior Executives Performance Evaluation

The CEO is responsible for formally evaluating the performance of senior executives each year. A performance appraisal questionnaire is completed by each senior executive and reviewed and discussed with the CEO in a formal meeting.

The CEO's performance is periodically reviewed by the Nomination Committee and the Remuneration Committee (each discussed in more detail in sections 2.1 and 8.1 below) in accordance with agreed performance parameters.

A performance evaluation of the CEO and senior executives took place during the year ended 31 December 2018 and was conducted in accordance with the process described above.

## 2. STRUCTURE THE BOARD TO ADD VALUE

### 2.1 Nomination Committee

The Company has a Nomination Committee that is governed by the Nomination Committee Charter (a copy of which can be viewed [here](#).)

The Nomination Committee is responsible for Board and Board Committee membership, succession planning and performance evaluation. Further roles and responsibilities of the Nomination Committee, including a description of the procedure for the selection, appointment and re-election of incumbents, can be found in the Nomination Committee Charter.

As at 31 December 2018 and as at the date of this statement, the Nomination Committee comprised of Mr M. Botha, Ms Y. Broughton, Ms S. Shugg, Mr P. Sullivan and Mr M. Potts, all of whom are Non-Executive Directors.

As at the date of this statement, all members of the Nomination Committee are independent Directors.

The attendance record of Nomination Committee members at Nomination Committee meetings for the reporting period ended 31 December 2018 is noted in the Directors' Report under the heading "Directors' Meetings" in the Annual Report.

### 2.2 Board Composition and Skills Matrix

#### The Board

As at 31 December 2018 and as at the date of this statement, the Board comprised of five Non-Executive Directors (including the Chairman) and one Executive Director (being the Managing Director and CEO).

The table below sets out the detail of the tenure of each Director.

Director	Role of Director	First Appointed*	Qualification
Martin John Botha	Non-Executive Director and Chairman	February 2014	BSc Eng
Peter Ross Sullivan	Non-Executive Director	June 2001	B.E., MBA
Yasmin Broughton	Non-Executive Director	June 2017	B.Com, PG Dip Law, GAICD
Mark Potts	Non-Executive Director	June 2017	BSc(Hons)
Sabina Shugg**	Non-Executive Director	September 2018	MBA, BEng (Mining)
John Paul Welborn	Managing Director and CEO	February 2015	B.Com, FCA, FAIM, SA Fin, MAICD, MAusIMM, JP

\*Resolute was incorporated on 8 June 2001.

\*\* Ms Sabina Shugg was appointed to the Board as a Non-Executive Director on 7 September 2018. Mr Bill Price retired from the Board prior to the Company's Annual General Meeting in October 2018.

In relation to term of office, the Company's constitution specifies that one third (or if not a whole number, the nearest whole number to one third) of all Directors (with the exception of the CEO) must retire from office annually and are eligible for re-election. The Nomination Committee assesses and determines whether to endorse the re-election of Directors required to retire by rotation. The Company's constitution also requires that any Director who has been in office for more than three years must retire from office at the next annual general meeting and is eligible for re-election.

## Skills Matrix

A profile of each Director setting out their skills, experience, expertise and period of office is set out in the Directors' Report in the Annual Report.

The Board has identified that the appropriate mix of skills and diversity required of its members on the Board to operate effectively and efficiently is achieved by personnel having substantial skills and experience in operational management, mining and technical, capital projects, strategy/risk, finance, listed resource companies, equity markets and sustainability and stakeholder management.

Each Director brings a unique and varied skillset covering relevant aspects of the desired mix of skills and diversity required in the composition of the Board, and each Director has the right of access to all Company information and to the senior executive team.

The table below summarises the areas of competence, skills and experience of the six Directors in office as at 31 December 2018.

Category	Number of Directors
<b>Executive Leadership</b> Sustainable success in business at a very senior executive level in a successful career.	6
<b>Global Experience</b> Senior management or equivalent experience in multiple global locations, exposed to a range of political, cultural, regulatory and business environments.	5
<b>Governance</b> Commitment to the highest standards of governance, including experience with a major organisation that is subject to rigorous governance standards, and an ability to assess the effectiveness of senior management.	5
<b>Strategy/Risk</b> Track record of developing and implementing a successful strategy, including appropriately probing and challenging management on the delivery of agreed strategic planning objectives. Track record in developing an asset or business portfolio over the long term that remains resilient to systemic risk.	5
<b>Financial Acumen</b> Senior executive or equivalent experience in business strategy including competitive business analysis, financial and management accounting and reporting, corporate transactions and finance including mergers and acquisition, financial control implementation and assessment, risk management and other assurance (e.g. audit), taxation and legal.	6

Category	Number of Directors
<b>Capital projects</b> Experience working in an industry with projects involving large-scale capital outlays and long-term investment horizons.	5
<b>Sustainability and Stakeholder Management</b> Experience related to workplace health and safety, environmental and social responsibility, human resources, industrial relations and community relations.	4
<b>Remuneration</b> Board Remuneration Committee membership or management experience in relation to remuneration, including incentive programs and pensions/ superannuation and the legislation and contractual framework governing remuneration.	5
<b>Mining and Technical</b> Senior executive experience in a large mining organisation combined with an understanding of the Group's corporate purpose to create long-term shareholder value through the discovery, acquisition, development and marketing of natural resources.	3
<b>Gold</b> Senior executive experience in the gold industry, including in-depth knowledge of the Group's strategy, markets, competitors, operational issues, technology and regulatory concerns.	3
<b>Legal</b> Senior experience at a major law firm or in-house.	1

Diversity of the Board as at 31 December 2018	
Gender	4 males and 2 females*
Tenure	0 - 2 years: 3 directors 4+ years: 2 director 10+ years: 1 director

\* Ms Sabina Shugg was appointed to the Board on 7 September 2018. Mr Bill Price retired from the Board prior to the Company's Annual General Meeting in October 2018.

## 2.3 Assessment of Board Independence

Directors are expected to contribute independent views to the Board.

An independent Board member operates independently of executive management and free of any business or other relationship (personal, business or otherwise) that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgment.

Independent Board members accordingly assist in ensuring that the Board operates in the best interests of the Company, having regard to the goals and objectives of the Company.

The assessment of whether a Board member is independent is a matter of judgement for the Board as a whole and includes concepts of materiality. In making that judgement the Board may have regard to, but need not be bound by, the Recommendations as to director “independence”.

All Board members are required to disclose to the Board and the Nomination Committee (via the Company Secretary) any interest, position, association, relationship or information (and any changes thereof) which may be relevant or material to that assessment.

The Chairman, and at least a majority of Directors, should be independent, unless special circumstances exist, are disclosed and are approved of by the Board as an exception to this requirement.

The Board regularly reviews and considers the positions and associations of each of the Directors in office.

As at 31 December 2018, the Board considered that four of the six directors were independent, namely, Mr M. Botha (Chairman), Ms S. Shugg, Ms Y. Broughton and Mr M. Potts. As at 31 December 2018, the Board did not consider either Mr J. Welborn nor Mr P. Sullivan to be independent, however as at the date of this statement, the Board considers Mr Sullivan to be an independent director.

Mr Bill Price retired from the Board prior to the Company’s Annual General Meeting in October 2018. As at the date of Mr Price’s retirement, Mr Price was considered to be an independent Director.

Refer to section 2.2 of this statement under the heading “The Board” for details of the length of service of each of the Directors.

## 2.4 Ratio of Board Independence

As at 31 December 2018, the majority of the Board (four of the six Directors) were independent. As at the date of this statement, five of the six Directors are independent.

## 2.5 Roles of the Chairman and CEO

The roles of the Chairman (Mr M. Botha) and the CEO (Mr J. Welborn) are not exercised by the same individual. As at the date of this Statement, the Chairman is an independent Non-Executive Director.

## 2.6 Board Induction and Professional Development

The Company has a procedure for the selection and appointment of new Directors which can be viewed [here](#).

The Nomination Committee reviews whether the Directors as a group have the skills, knowledge and familiarity with the Group and its operating environment required to fulfil their role on the Board and its Committees effectively. It also oversees Board member induction and professional development including, where gaps are identified, considering what training or development could be undertaken to fill the gaps, and where necessary, providing resources for the Directors to develop and maintain their skills and knowledge. Further details of the professional development provided by the Nomination Committee can be found in the Nomination Committee Charter.

Directors and Board Committees have the right, in connection with their duties and responsibilities, to seek independent professional advice at the Company’s expense.

## 3. ACT ETHICALLY AND RESPONSIBLY

### 3.1 Ethical standards and code of conduct

#### *Code of Conduct*

The Board acknowledges the need for the highest standards of corporate governance and ethical conduct by all Directors and employees of the Group. As such, the Company has a Code of Conduct which has been fully endorsed by the Board and applies to all Directors and Group employees. The Code of Conduct is regularly reviewed and updated as necessary to ensure that it reflects the highest standards of behaviour and professionalism and the practices necessary to maintain confidence in the Group's integrity.

A fundamental theme is that all business affairs are conducted legally, ethically and with strict observance of the highest standards of integrity and propriety. The Directors and management have the responsibility to carry out their functions with a view to maximising financial performance of the consolidated entity. This concerns the propriety of decision making in conflict of interest situations and quality decision making for the benefit of Shareholders.

A copy of the Company's Code of Conduct can be found [here](#).

#### *Whistleblower Policy*

In line with the Code of Conduct, the Company has a Whistleblower Policy which aims to further the Company's commitment to maintaining high ethical standards of conduct and to encourage the reporting of any instance of suspected unethical, illegal, fraudulent or undesirable conduct which contravenes the Code of Conduct. The Whistleblower Policy also ensures that persons who make a report in good faith can do so without fear of intimidation, disadvantage or reprisal.

A copy of the Company's Whistleblower Policy can be found [here](#).

#### *Anti-Bribery and Corruption Policy*

An important element of the Code of Conduct addresses bribery and corruption and requires the adherence to Australian and other applicable anti-bribery laws conducting business dealings, irrespective of local standards and practices in the place of business. The Company's Anti-Bribery and Corruption Policy provides further guidance and sets out the Company's commitment to conducting its business ethically and with honesty and integrity, with a "zero-tolerance" approach to bribery and corruption.

A copy of the Company's Anti-Bribery and Corruption Policy can be found [here](#).

### 3.2 Safety, Security and Environment Committee

As at the date of this statement, the Company has a Safety, Security and Environment Committee. The Safety, Security and Environment Committee is comprised of Mr J. Welborn, Ms S. Shugg and relevant senior executives, namely the Company's Chief Operating Officer, Chief Financial Officer and Group Manager, Safety, Health and Environment.

The Safety, Security and Environment Committee is chaired by Mr J. Welborn.

The Safety, Security and Environment Committee operates under a charter approved by the Board which can be found [here](#).

The key purposes of the Committee are to act as a forum for presentation of the safety performance and environmental impact management of the Group operations including exploration, consultation, discussion and dissemination of information on matters which are likely to affect the safety performance and environmental management of Group workplaces.

The Safety, Security and Environment Committee is also responsible for:

- monitoring key risks to the business in the areas of health, safety, security and environment;
- monitoring the Group's compliance with relevant laws, regulations and Group operational policies and standards;
- monitoring the culture that is promoted within the Group to promote compliance with and responsibility for health, safety, security and environmental management; and
- establishing and tracking of measurable workplace health, safety and environment objectives and targets, including recognising and celebrating their achievement.

## 4. SAFEGUARD INTEGRITY IN CORPORATE PLANNING

### 4.1 Audit and Risk Committee

The Company has an Audit and Risk Committee. As at 31 December 2018 and as at the date of this statement, the Audit and Risk Committee comprised of Ms Y. Broughton, Mr M. Botha, Mr P. Sullivan, Ms S. Shugg and Mr M. Potts, all of whom are Non-Executive Directors.

As at the date of this statement, all members of the Audit and Risk Committee are independent Directors.

The Audit and Risk Committee is chaired by Ms Y. Broughton, who is not the Chairman of the Board.

All members of the Audit and Risk Committee consider themselves to be financially literate and have significant understanding of the industry in which the Company operates. The attendance record of Audit and Risk Committee members at Audit and Risk Committee meetings for the reporting period ended 31 December 2018 is noted in the Directors' Report under the heading "Directors' Meetings" in the Annual Report.

Details of the members of the Board including their experience, expertise and qualifications are set out in the Directors' Report under the heading "Directors".

The Audit and Risk Committee operates under a charter approved by the Board which can be found [here](#).

It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes. This includes the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations. The Audit and Risk Committee also provides the Board with additional assurance regarding the reliability of the financial information for inclusion in the financial reports.

The Audit and Risk Committee is also responsible for:

- ensuring compliance with statutory responsibilities relating to accounting policy and disclosure;
- liaising with, discussing and resolving relevant issues with the auditors;
- assessing the adequacy of accounting, financial and operating controls; and
- reviewing half-year and annual financial statements before submission to the Board.

### 4.2 Corporate reporting certifications

The Company's Chief Executive Officer (Mr J. Welborn) and Chief Financial Officer (Ms L. de Bruin) have provided the Board with the appropriate assurances in relation to full year and half year statutory financial reports during the year ended 31 December 2018.

These assurances include declarations in accordance with Section 295A of the *Corporations Act 2001* (Cth) (**Corporations Act**) that, in their opinion, the financial records have been properly maintained and that the

financial statements comply with the appropriate accounting standards, and that they give a true and fair view of the financial position and performance of the Company, and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

## 4.3 External Auditor

The Company's external auditor, Ernst & Young (**External Auditor**), attends the Company's Annual General Meeting. The External Auditor's presence is made known to Shareholders during the meeting, and Shareholders are provided with an opportunity to address questions to the External Auditor relevant to the audit and the preparation and content of the External Auditor's report.

The External Auditor is invited to attend Audit and Risk Committee Meetings at least twice yearly. As noted in the Audit and Risk Committee Charter, the performance and independence of the External Auditor is reviewed by the Audit and Risk Committee.

The External Auditor's existing policy requires that its audit team provide a statement as to their independence. This statement was received by the Audit and Risk Committee for the reporting period ended 31 December 2018.

The External Auditor has a policy for the rotation of the lead audit partner in accordance with the requirements of the Corporations Act.

## 5. MAKE TIMELY AND BALANCED DISCLOSURE

### 5.1 Continuous disclosure

The Board has a Continuous Disclosure Policy which can be viewed [here](#). The Company is committed to:

- ensuring that stakeholders have the opportunity to access externally available information issued by the Company;
- providing full and timely information to the market about the Company's activities; and
- complying with the obligations contained in the ASX Listing Rules and the Corporations Act relating to continuous disclosure.

The Board has designated the CEO, the CFO and the Company Secretary as the responsible officers for administering the Continuous Disclosure Policy. This involves complying with the continuous disclosure requirements outlined in the ASX Listing Rules, ensuring that disclosure with the ASX is co-ordinated and being responsible for administering and implementing the policy.

## 6. RESPECT THE RIGHTS OF SECURITY HOLDERS

### 6.1 Shareholder communication

The Company's website ([www.rml.com.au](http://www.rml.com.au)) provides information on the Company including its history, current operations and corporate directory.

The Corporate Governance page of the Company's website (<http://www.rml.com.au/corporate-governance.html>) provides access to key policies, procedures and charters of the Company, such as the Board and Committee charters, Securities Trading Policy, Diversity and Inclusion Policy and Continuous Disclosure Policy, and the Company's latest Corporate Governance Statement.

ASX announcements, Company reports and presentations are uploaded to the website following release to the ASX and editorial content is updated on a regular basis.

## 6.2 Investor relations program

The Board has established a communications strategy which can be viewed [here](#). The Company's website ([www.rml.com.au](http://www.rml.com.au)) provides information on the Company including its background, objectives, projects and contact details.

The Board aims to ensure that Shareholders, on behalf of whom they act, are informed of all information necessary and kept informed of all major developments affecting the Company in a timely and effective manner. Information is communicated to the market and Shareholders through:

- the annual report which is made available to all Shareholders and the public;
- half yearly, quarterly reports and ASX announcements which are made to the ASX and posted on the entity's website; and
- the annual general meeting and other meetings so called to obtain approval for Board action as appropriate.

## 6.3 Shareholder participation

The Board recognises the rights of Shareholders and encourages participation of Shareholders at general meetings of the Company. Notices of meetings are distributed to Shareholders and Shareholders are provided with the opportunity to attend general meetings.

Shareholders who are unable to attend meetings of the Company are encouraged to participate by way of appointment of a proxy. Information as to how to lodge a proxy form is provided to Shareholders at the time a notice of meeting is distributed.

Shareholders are encouraged to use their attendance at meetings to ask questions on any matter, with time being specifically set aside for Shareholder queries.

## 6.4 Communication options

Shareholders have a choice in relation to the methods in which they receive information (including notices of meetings) from the Company. A Shareholder can request to have information released to them by email by phoning the Company's Share Registry, Computershare, on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) or by visiting the Share Registry's "Investor Centre" at [www-au.computershare.com/investor/](http://www-au.computershare.com/investor/) which allows Shareholders to login and access their personal information, shareholdings and a range of relevant forms via its website.

# 7. RECOGNISE AND MANAGE RISK

## 7.1 Risk management

The Company takes a pro-active approach to risk management across the Group and the Board has ultimate responsibility for ensuring that the principal risks faced by the Group are identified and overseeing that appropriate control and monitoring systems are in place to manage the impact of these risks.

As detailed in section 4.1 above, the Board's identification and oversight role was supported by the Audit and Risk Committee during the reporting period. The Audit and Risk Committee has a risk function as set by the Audit and Risk Committee Charter which can be viewed [here](#).

Separately, the CEO and the Chief Financial Officer will inform the Board annually in writing that the sign off given on the financial statements is founded on a sound system of risk management and internal control compliance which implements the policies adopted by the Board.

The Company's risk management and internal compliance and control systems is operating effectively and efficiently in all material respects.

## 7.2 Review of risk management framework

The scope of the Audit and Risk Committee's risk function includes approving and monitoring policies for identifying and managing/mitigating/transferring risk (including in accordance with the Group's risk management policy) and reviewing the Group's risk management framework and policies at least annually to satisfy itself that it continues to be sound.

The risk management framework was continually reviewed during the reporting period by the Board.

## 7.3 Internal audit function

The Company had a dedicated internal audit function during the reporting period ended 31 December 2018. KPMG has been engaged from 1 July 2017 to perform the internal audit function. The Company Secretary is responsible for internal audit, reporting directly to the Audit and Risk Committee.

The Audit and Risk Committee will ensure that appropriately qualified personnel with the suitable skill sets are employed to manage the internal audit function and reviews and assesses the performance and objectivity of the Company's internal audit function.

## 7.4 Management of material risks

The Company has an existing risk framework in place that uses a series of workshops and interviews to assist in the identification and assessment of key business risks including the associated mitigation controls and strategies to appropriately manage the material risks.

The Company has summarised its key business risks and the associated mitigation controls and strategies to appropriately manage those material risks in the Annual Report under the heading "Risk Management".

KPMG has been engaged from 1 July 2017 to further enhance the risk framework and processes.

# 8. REMUNERATE FAIRLY AND RESPONSIBLY

## 8.1 Remuneration Committee

The Company has a Remuneration Committee that is governed by the Remuneration Committee Charter (a copy of which can be viewed [here](#)).

The Remuneration Committee is responsible for determining and reviewing the compensation arrangements for the Directors (including the CEO), the executive team and Group employees, and making recommendations to the Board in this regard.

As at 31 December 2018 and as at the date of this statement, the Remuneration Committee comprised of Mr P. Sullivan, Mr M. Botha, Ms S. Shugg, Mr M. Potts and Ms Y. Broughton all of whom are Non-Executive Directors.

As at the date of this statement, all members of the Remuneration Committee are independent Directors.

The attendance record of Remuneration Committee members at Remuneration Committee meetings for the reporting period ended 31 December 2018 is noted in the Directors' Report under the heading "Directors' Meetings" in the Annual Report.

## 8.2 Remuneration policies

The details of the Directors' and Officers' remuneration policies are provided in the Directors' Report under the heading "Remuneration Report" in the Annual Report. The Remuneration Committee reviews and reassesses the policy at least annually and obtains the approval of the Board.

The Remuneration Committee is responsible for developing measurable objectives and evaluating progress against these objectives.

## 8.3 Securities trading

The Company's Securities Trading Policy can be found [here](#).

This policy is driven by the Corporations Act requirements and applies to all Directors, officers and Group employees. The policy summarises the law relating to insider trading and sets out the trading prohibitions which apply to persons affected by the policy.