



**Resolute**

# Performance Evaluation Process

## 1. Overview

The Board must review its performance and the performance of the individual Directors (including the CEO), Board Committees, and management regularly (this is achieved with the assistance of the Remuneration Committee and the Nomination Committee). This is an important element of the Board's monitoring role, especially with regard to long term growth of Resolute and of shareholder value.

## 2. Performance evaluation process

The Board is required to meet annually to discuss their performance as a whole. Consideration should be given to any objectives and defined criteria established as a benchmark for assessing performance against. The Board should at a minimum address the following:

- Does the Board understand Resolute's business adequately?
- Does the Board know Resolute's competition, market, risk factors etc?
- Does the Board spend enough time on the long term strategy?
- What is the balance of power between the Board and the CEO?
- Does the Board have access to information from management and other sources?
- Is the Board enhancing shareholder value by the best possible margin?
- Do the Directors have current requisite skills, knowledge and experience to deal with new and emerging business and governance issues?
- Has the performance of any Director been impacted by other commitments?

The Board must ensure that any benchmarks that they are being appraised against are regularly reviewed to account for the changing environments facing Resolute.

Whilst discussing the performance of the Board, Directors are encouraged to provide comments on the performance of the Chair.

The Chair is responsible for meeting with individual Directors to discuss their individual performance and contribution to the Board. The Chair should at a minimum address the following:

- degree of independence including relevance of any conflicts of interests;
- familiarity with Resolute's operations and industry trends;
- willingness to devote the necessary time including attendance at meetings, extent of preparation for meetings, willingness to participate in Board Committee work;
- value and adding value to the contributions of the Board;
- level of ethical awareness; and
- personal relationships with colleagues, management and stakeholders.

Whilst meeting with the individual Directors to discuss individual performance, the Chair must take the opportunity to obtain comments about co-Directors' performance on the Board.

As part of the performance evaluation process, all Directors are expected where applicable, to highlight areas for improvement and provide a description as to how this can be achieved.

At least annually the Board must review the performance of Board Committees to ensure that the Board Committees are achieving desired outcomes.

The CEO is responsible for assessing the performance of key executives within the organisation. This is to be performed through a formal process involving the completion of a performance appraisal questionnaire which is to be completed by the key executive and reviewed and discussed with the CEO in a formal meeting.

Each divisional manager is responsible for assessing the performance of the staff members within their division. This is to be performed through a formal process involving the completion of a performance appraisal questionnaire which is to be completed by the employee and reviewed and discussed with their manager in a formal meeting.

Based on the evaluation of the individual's performance, all managers are required to present a document to the Remuneration Committee outlining the proposed compensation arrangements for each individual employee. A similar process is undertaken by the CEO in relation to key executives. The Remuneration Committee is then responsible for reviewing the compensation arrangement, making adjustments if necessary and preparing a recommendation to the Board of the compensation arrangements for each individual. Refer to Remuneration Committee Charter for remuneration of Directors.

The results of any review of the performance of an individual within Resolute should be linked to their compensation arrangement.

If a member of Personnel is not performing to an acceptable level, then a performance evaluation can be conducted on an as needs basis.

## 3. Links to performance

### 3.1 Facilitating performance by education

In order to provide Directors with the best possible chance of adding value to Resolute and contributing to an accepted level, Resolute has induction procedures implemented which are designed to allow new Board appointees to participate fully and actively in Board decision making at the earliest opportunity. It is noted that new Directors cannot be effective until they have a good deal of knowledge about Resolute and the industry within which it operates. The CEO is responsible for ensuring that the new Director gains an understanding of all the necessary information relating to Resolute. Such items include:

- Resolute's financial, strategic, operational and risk management position;
- their rights, duties and responsibilities; and
- the role of the Board Committees.

The Nomination Committee shall monitor the orientation and continuing education programs for Directors.

### 3.2 Continuing education of Directors

The Board must regularly assess whether the Directors as a group have the skills, knowledge and experience to deal with new and emerging business and governance issues. The need for existing Directors to undertake professional development should be considered where gaps are identified which are not expected to be addressed in the short term by new appointments.

### 3.3 Access to information

In order to enhance performance, the Board is provided with information it needs to efficiently discharge their responsibilities. The following is noted:

- Resolute has an agreed procedure that Directors are permitted to take independent professional advice if necessary at Resolute's expense;
- all Directors have access to the Company Secretary;
- the appointment and removal of the Company Secretary is a matter for the decision of the Board; and

- Directors are entitled to request additional information where they consider that the information supplied by management is insufficient to support informed decision making.

## 4. Definitions

**Audit and Risk Committee** means RSG’s Audit and Risk Committee as described in the Audit and Risk Committee Charter.

**Board** means the board of directors of RSG.

**Board Committee** means a committee of the Board.

**CEO** means the chief executive officer of RSG.

**Chair** means the chair of the Board.

**Company Secretary** means the company secretary of RSG.

**Director** means a director of RSG.

**Nomination Committee** means RSG’s Nomination Committee as described in the Nomination Committee Charter.

**Remuneration Committee** means RSG’s Remuneration Committee as described in the Remuneration Committee Charter.

**RSG** means Resolute Mining Limited ACN 097 088 689.

## 5. Related documents

- Board Charter.
- Remuneration Committee Charter
- Nomination Committee Charter.

## 6. Approval and review

This document is to be reviewed annually by the Nomination Committee and the Board.

Version	RIGS Document Category	Date	Status	RIGS Document Owner	Reviewer	Approver	Approval Date
1.0	Board	23/08/2018	Reviewed	<b>Amber Stanton</b> <i>General Counsel &amp; Company Secretary</i>	<b>John Welborn</b> <i>Managing Director &amp; CEO</i>	<b>Martin Botha</b> <i>Chair</i>	23/08/2018
2.0	Board	21/02/2019	Reviewed	<b>Amber Stanton</b> <i>General Counsel &amp; Company Secretary</i>	<b>John Welborn</b> <i>Managing Director &amp; CEO</i>	<b>Martin Botha</b> <i>Chair</i>	21/02/2019
3.0	Board	31/10/2019	Amended	<b>Amber Stanton</b> <i>General Counsel &amp; Company Secretary</i>	<b>John Welborn</b> <i>Managing Director &amp; CEO</i>	<b>Martin Botha</b> <i>Chair</i>	31/10/2019
4.0	Board	19/02/2020	Reviewed	<b>Amber Stanton</b> <i>General Counsel &amp; Company Secretary</i>	<b>John Welborn</b> <i>Managing Director &amp; CEO</i>	<b>Martin Botha</b> <i>Chair</i>	19/02/2020