



Board Charter

Revised and approved by the Board in December 2020

1. General

1.1. The OZ Minerals Board is established under the Constitution of OZ Minerals Limited (the Company).

1.2. In this Charter the following terms have the following meanings:

Board means the Board of directors of the Company.

Chairman means the chairman of the Board.

Company Secretary means the Company Secretary of the Company.

MD & CEO means the Managing Director and Chief Executive Officer of the Company.

Non-Executive Director means a Director of the Company who is not employed in an executive capacity within the OZ Minerals Group.

OZ Minerals Group or **Group** means the Company and its subsidiaries.

Performance Standards are the governance documents and minimum requirements with respect to safety, health and wellbeing, environmental and social performance, for which all assets are held accountable.

Process Standards are the governance documents that define the Company business processes, including escalation and delegation of authority responsibilities.

Senior Executives means the executives of the Company that report directly to the MD & CEO.

Value Creation Policies are the policies which set out our overarching intent in creating shared value for our stakeholders and enable our specific stakeholders to hold us to account, being: Employee Value Policy, Shareholder Value Policy, Supplier Value Policy, Government Value Policy and Community Value Policy.

2. Purpose

2.1. The Board is responsible for:

- (a) setting the Company's goals, objectives and policies;
- (b) overseeing the management of the Company;
- (c) overseeing the Company's risk management framework and effectiveness of the systems of internal control and risk management;
- (d) reviewing and monitoring the material risks of the Company and the Company's system of internal compliance and controls;
- (e) setting an appropriate corporate governance framework for the Company and monitoring compliance with the Company's values and governance framework (including establishing and observing high ethical standards and demonstrating leadership); and

- (f) protecting and optimising Company performance and build sustainable value for shareholders in accordance with any duties and obligations imposed on the Board by law and the Company's Constitution and within a framework of prudent and effective controls that enable risk to be assessed and managed.

3. Composition

- 3.1. In accordance with the Company's Constitution, the Company will have not less than three and not more than 15 Directors.
- 3.2. The Board will have a majority of independent Non-Executive Directors and comprise Directors with a broad range of skills, expertise and experience from a diverse range of backgrounds.
- 3.3. The Board will review and assess the appropriate mix of skills and diversity required on the Board and consider the extent to which these skills and diversity are represented on the Board (through, amongst other things, use of a Board skills matrix and review of Board succession plans). The Board will determine whether the composition and mix remain appropriate for the Company's strategy and cover the skills needed to address existing and emerging business and governance issues relevant to the Company.
- 3.4. The Board will review Director tenure but does not believe that it should establish an arbitrary limit on tenure. Tenure is just one of the many factors that the Board takes into account when assessing the independence and ongoing contribution of a Director. In determining the composition of the Board, regard is taken to the mix of Directors with shorter and longer tenures.
- 3.5. The Board will assess the suitability of new Directors against set criteria, which include experience, ability to exercise independent judgement, professional skills, potential conflicts, overall mix of skills, experience and backgrounds represented on the Board, including gender and the requirement for independence. Appropriate checks will be undertaken before appointing a person as a Director, or putting forward to shareholders a candidate for election.

4. Board Independence

- 4.1. The Board will judge Director independence in accordance with the ASX Corporate Governance Principles and Recommendations. Accordingly, the Board considers a Director to be independent if the Director is free of any interest, position or relationship that might influence in a material respect, or reasonably be perceived to influence in a material respect, the Director's capacity to bring independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual shareholder or other party.
- 4.2. Without limiting the Board's discretion, in general, a Director will not be considered to be 'independent' if he or she:
 - (a) is, or has been employed in an executive capacity by the Company or another member of the OZ Minerals Group and there has not been a period of at least three years between ceasing such employment and serving on the Board;
 - (b) receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme, of the Company;

- (c) is, or has been, within the last three years, in a material business relationship (e.g. as a supplier, professional adviser, consultant or customer) with the Company or another member of the OZ Minerals Group, or is an officer of, or otherwise associated with, someone with such a relationship;
 - (d) is, represents, or has been within the last three years an officer or employee of, or professional adviser to, a substantial shareholder of the Company;
 - (e) has close personal ties with any person who falls within any of the categories described above; or
 - (f) has been a Director of the Company for such a period that his or her independence from management and substantial shareholders may have been compromised.
- 4.3. The Board will undertake an annual review of the extent to which each Non-Executive Director is independent, having regard to the criteria set out in clause 4.2 and any other relevant relationship that the Non-Executive Director may have.
- 4.4. Notwithstanding clause 4.2, the Board may determine that a Director is independent if the Board is of the view that the interest, position or relationship in question is not material and will not interfere with the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual shareholder or other party.
- 4.5. Whether the Board considers a Non-Executive Director to be independent or not, and the reasons for the Board's opinion, will be described in the corporate governance statement set out on the Company's website.
- 4.6. If at any time during the year a Director ceases or may have ceased to be independent, the Director is required to advise the Chairman immediately. Where the Board determines a Director is no longer independent, an announcement will be made to the market.

5. Duties and Responsibilities

The Board's primary responsibilities are as follows:

5.1. Strategy

The responsibilities of the Board in respect of strategy are to:

- (a) contribute to and approve the Group's strategic direction, including defining the Company's purpose, setting strategic objectives and approving operating budgets;
- (b) oversee and monitor management's implementation of the Company's strategy and promotion of the Company's values;
- (c) set and monitor the risk appetite within which the Board expects Management to operate;
- (d) direct, monitor and assess the Group's performance against strategic and business plans and determine if appropriate resources are available; and
- (e) approve and monitor capital management, major capital expenditure and project development, acquisitions and divestments and any dividend payments.

5.2. Risk Management

The responsibilities of the Board in respect of risk management are to:

- (a) confirm that a risk management framework and systems are in place which facilitate the identification, management, monitoring and reporting of the Company's material risks and emerging sources of risk (including financial and non-financial risks);
- (b) review, evaluate and monitor the material risks and emerging sources of risk (including financial and non-financial risks) of the Group's business as advised by Management;
- (c) annually review and approve the Group's risk management framework and systems of internal compliance and control, risk management of material business risks and legal compliance, to determine the adequacy, integrity and effectiveness of the risk management framework and systems and to ensure they continue to be sound and that the Company is operating with due regard to the risk appetite set by the Board;
- (d) monitor the operational and financial position and performance of the Company;
- (e) review and monitor occupational health, safety, environmental performance and compliance, and ensure commitment of appropriate resources; and
- (f) review and monitor the management of tax issues and strategies.

5.3. External Reporting

The responsibilities of the Board in respect of external reporting are to:

- (a) approve financial reports, profit forecasts and other reports required at law or under the ASX Listing Rules to be adopted by the Board;
- (b) monitor and review management processes aimed at ensuring the integrity of financial and other reporting; and
- (c) monitor and review the reporting controls and mechanisms that are in place to ensure that adequate, accurate and timely information is being provided by the Company to its shareholders, the ASX and other stakeholders.

5.4. Succession plans of Directors, MD & CEO and Senior Executives

The responsibilities of the Board in respect of succession plans of Directors, MD & CEO and Senior Executives are to:

- (a) approve the board skills matrix;
- (b) review the skills, experience, expertise and diversity represented by Directors on the Board and determine whether the composition and mix remain appropriate for the Company's strategy and covers the skills needed to address existing and emerging business and governance issues relevant to the entity. The Board will have regard to this review when considering Board succession planning and ongoing Director education programs;
- (c) undertake appropriate background checks before appointing a Director, the MD & CEO or a Senior Executive;
- (d) appoint and remove the MD & CEO (or equivalent) and determine their terms and conditions (including remuneration);
- (e) appoint Directors and determine their terms and conditions (including remuneration);

- (f) ratify the appointment and removal of Senior Executive positions and determine whether the terms and conditions (including remuneration) are appropriate;
- (g) monitor and review MD & CEO and Senior Executive succession planning; and
- (h) delegate authority to the MD & CEO and approve authority limits for Senior Executives.

5.5. Performance Review

The responsibilities of the Board in respect of performance review are to:

- (a) set and implement criteria for assessing performance of the Board, its Committees and individual Directors, MD & CEO and Senior Executives, considering performance against those criteria and approving remuneration outcomes;
- (b) monitor and evaluate the performance of the MD & CEO and Senior Executives in achieving the performance criteria, strategies and budgets approved by the Board and approve remuneration outcomes; and
- (c) undertake an annual performance evaluation that evaluates the performance of the Board, Committees, and individual Directors against the requirements of this Charter and the annual goals and objectives set by the Board.

5.6. Remuneration

The responsibilities of the Board in respect of remuneration are to:

- (a) approve the overall remuneration framework of the Company, including Non-Executive Director remuneration, MD & CEO and Senior Executive remuneration, and any employee equity or incentive plans and satisfy itself that the Company's remuneration framework is aligned with the Company's purpose, values, strategic objectives and risk appetite;
- (b) approve any proposed consultancy arrangements with a director, senior executive or a related party of a director or Senior Executive; and
- (c) look to ensure that risk behaviours and outcomes and any other relevant factors are reflected in the executive remuneration outcomes.

5.7. Corporate Governance and compliance

The responsibilities of the Board in respect of corporate governance and compliance are to:

- (a) approve the Company's How We Work Together Principles and Code of Conduct and monitor corporate culture;
- (b) encourage ethical behaviour and compliance with the Group's Value Creation Policies, Performance Standards, Process Standards and associated specifications;
- (c) set, approve and evaluate the Company's compliance with the Value Creation Policies, Performance Standards, Process Standards and publicly available material in relation to Speak Up, Securities Trading, Continuous Disclosure and Anti-bribery and Corruption;
- (d) approve the Company's corporate governance and modern slavery statements;
- (e) receive information regarding material breaches of the Code of Conduct and Anti-Bribery and Corruption material;

- (f) monitor speak up reports on a quarterly basis and review referrals made by each Board Committee in relation to material incidents under the Company's Speak Up material; and
- (g) perform such other functions as prescribed by law.

5.8. Employee Value Creation Policy

The responsibilities of the Board in respect to diversity and inclusion and its Employee Value Creation Policy are to:

- (a) annually review the Company's measurable objectives in achieving diversity (including gender diversity); and
- (b) annually review the Company's progress in achieving its measurable objectives in the composition of the Board, Senior Executives and workforce generally.

6. Delegation to Board Committees

- 6.1. The Board may establish, as it deems appropriate, Committees to assist in discharging its responsibilities. As a minimum the Board will establish the following committees:
 - (a) Audit Committee;
 - (b) People and Remuneration Committee; and
 - (c) Sustainability Committee.
- 6.2. The Board may establish ad hoc special-purpose committees from time to time, with terms of reference approved by the Board.
- 6.3. The Board will adopt Charters setting out the membership, responsibilities and reporting obligations of each Board Committee.
- 6.4. The Board must ensure Committees have the resources to carry out their roles effectively and deal with any issue referred to it by a Board Committee.
- 6.5. The Board will evaluate on an annual basis the performance of the Board Committees against their respective Charters.

7. Delegation to Management

- 7.1. While the Board retains ultimate responsibility for the strategy and performance of the Company, the Board has delegated responsibility for the day-to-day operation and administration of the Company to the MD & CEO and the executive management team. This delegation of authority includes responsibility for:
 - (a) developing business plans, budgets and strategies for the Board's consideration and, to the extent approved by the Board, implementing these plans, budgets and strategies;
 - (b) operating the Company's businesses and operations within the parameters set by the Board from time to time and keeping the Board informed of all material developments relating to the businesses and operations;

- (c) referring the matter to the Board for its consideration and approval where proposed transactions, commitment or arrangements exceed the parameters set by the Board;
 - (d) identifying and managing operational and other risks and, where those risks could have a material impact on the Company's businesses and operations, formulating strategies for managing these risks for consideration by the Board;
 - (e) managing the Company's current financial and other reporting mechanisms to ensure that these mechanisms are functioning effectively to capture all relevant material information on a timely basis;
 - (f) implementing the Company's internal controls, establishing procedures for monitoring these controls and ensuring that these controls and procedures are appropriate and effective;
 - (g) promoting the Company's values across the organisation;
 - (h) taking all reasonable steps to ensure that the Board is provided with accurate and sufficient information regarding the Company's operations on a timely basis and, in particular, that the Board is made aware of all relevant matters relating to the Company's performance (including future performance), financial condition, operating results and prospects, and potential material risks, so that the Board is in an appropriate position to fulfil its corporate governance responsibilities; and
 - (i) implementing all policies, standards, procedures and codes approved by the Board.
- 7.2. The MD & CEO is accountable to the Board for the authority that is delegated by the Board to the MD & CEO and the executive management team, and will report routinely on the Company's progress on achieving the short, medium and long-term plans of the Company.
- 7.3. The Board is responsible for satisfying itself that the Board reporting framework is appropriate. Directors are entitled to request additional information at any time when they consider it appropriate.
- 7.4. The Board will regularly monitor the performance of the MD & CEO and Senior Executive team and where required, provide feedback to and challenge the MD & CEO and Senior Executives.

8. Director responsibilities

- 8.1. In performing the responsibilities set out in this Charter, the Board should act at all times in a manner designed to create and continue to build sustainable value for shareholders and in accordance with the duties and obligations imposed on it by the Company's Constitution, Code of Conduct and by law.
- 8.2. The Board will monitor and ensure that processes are in place to support Director induction and ongoing education and regularly review the effectiveness of these processes.
- 8.3. The Board will ensure appropriate professional development opportunities are given to all Directors to ensure that Directors develop and maintain the skills and knowledge needed to perform their role as Directors effectively.

9. Chairman

- 9.1. The Chairman will be an independent Non-Executive Director, will not be the same person as the MD & CEO, and will be appointed by the Board.

- 9.2. In the absence of the Chairman from a meeting, the Board will appoint a Non-Executive independent Director to act as Chairman for that particular meeting.
- 9.3. The Chairman is responsible for the leadership of the Board, including taking all reasonable steps to ensure that the Board functions effectively, and for communicating the views of the Board to the public. The Chairman is also responsible for:
- (a) working closely with the MD & CEO and Company Secretary in setting the agenda for each meeting;
 - (b) briefing all Directors on key matters;
 - (c) managing the conduct at, and frequency and length of, Board meetings so as to provide the Board with an opportunity to have a detailed understanding of the issues affecting the Company's operations, current financial position and performance and any opportunities or challenges facing the Company; and
 - (d) guiding Board meetings to facilitate open and constructive discussions, and to encourage Director contributions to Board deliberations and promoting respectful and constructive communication between Directors and between the Board and Management.

10. Company Secretary

- 10.1. The Board will appoint at least one Company Secretary.
- 10.2. The Company Secretary, through the Chairman, is accountable directly to the Board on all matters to do with the proper functioning of the Board, including advising on governance matters, monitoring that Board policies and procedures are followed, coordinating all Board business, including meetings, agendas, Board papers and minutes, and monitoring the completion of actions arising from Board meetings.
- 10.3. Each Director has access to the Company Secretary at all times.

11. Meetings

- 11.1. A minimum of six Board meetings are to be held each year.
- 11.2. Any Director can call a Board meeting.
- 11.3. Agenda and Board Papers will be distributed to Directors in a reasonable time to enable Directors to properly prepare for meetings.

12. Advice and Information

- 12.1. Directors have the right to seek independent professional advice in the furtherance of their duties as Directors at the Company's expense. The Chairman's prior approval of such expenditure is required and all Directors must be advised of the outcome.
- 12.2. Directors are entitled to on-going access to the Company's operations, employees and information to enable them to fulfil their responsibilities under this Charter and to perform such other functions as prescribed by law.

- 12.3. Directors are expected to keep up to date with issues and developments that are relevant to them in fulfilling their duties and responsibilities, and are encouraged to access and undertake appropriate education and professional development activities. Training and education programs that are approved by the Chairman will be provided at the Company's expense.

13. Charter Review

- 13.1. This Charter will be reviewed and revised as required. Any changes to the Charter will require approval of the Board and the Board will review the effectiveness of the Charter as appropriate.

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