



**Stanmore Resources Limited**  
ACN 131 920 968

## **Corporate Governance Statement**

## Overview

Stanmore Resources Limited (the **Company** or **Stanmore**) is pleased to present its Corporate Governance Statement for the period ending 31 December 2023 (**Statement**), which outlines the corporate governance framework and practices of the Company and its subsidiaries (together, the **Group**). This Statement is current as at 26 February 2024 and has been approved by the Board. This Statement should be read in conjunction with the Company's 2023 Annual Report for the period ending 31 December 2023.

## Governance Framework

The Board of Directors of Stanmore (**Board**) is responsible for the corporate governance of the Group. The Board guides and monitors the business and affairs of the Group on behalf of the shareholders by whom they are elected and to whom they are accountable.

Stanmore's Corporate Governance Statement is structured with reference to the Australian Securities Exchange (**ASX**) Corporate Governance Council's (**Corporate Governance Council**) "Corporate Governance Principles and Recommendations, 4th Edition" (**ASX Recommendations**). A copy of the Company's corporate governance charters can be downloaded from the Company's website at <https://stanmore.au/corporate-governance>.

## Structure of the Board and Director Independence

The skills, experience and expertise relevant to the position of each Director in office at the date of the Annual Report is included in the Directors' Report in the Annual Report. The Corporate Governance Council defines an Independent Director in the ASX Recommendations as a director who is free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the entity as a whole rather than those of an individual security holder or other party.

Examples of interests, positions and relationships that might raise issues about the independence of a director are set out in Box 2.3 of the ASX Recommendations. Under the ASX Recommendations, where a director falls within one or more of these examples, the board should rule the director not to be independent unless it is clear 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 entity as a whole rather than in the interests of an individual security holder or other party.

The composition of Stanmore's Board is reflective of the significant shareholding of Golden Investments (Australia) Pte Ltd (**Golden Investments**) which exceeds 59 per cent of Stanmore's voting shares.

The Board at the date of this Statement comprises three independent Directors and four non-independent Directors.

The assessment of the independence of Directors is set out in Section 4 Board Composition of the published Board Charter and Section 3 Responsibilities of the Committee of the published Remuneration and Nominations Committee Charter. In the context of Director independence, "materiality" of a Director's interests is considered from both the Company and the individual Director perspective. The determination of materiality requires consideration of both quantitative and qualitative elements. An item is presumed to be quantitatively immaterial if it is equal to or less than 5% of the relevant base amount for the purposes of the assessment. It is presumed to be material (unless there is qualitative evidence to the contrary) if it is greater than 5% of the relevant base amount for the purposes of the assessment. Qualitative factors considered include whether a relationship is strategically important, the competitive landscape, the nature of the relationship and the contractual or other arrangements governing it and other factors which point to the actual ability of the Director in question to shape the direction of the Company's loyalty. Factors that may impact on a Director's independence are considered each time the Board meets. The independence of the Directors generally is regularly reviewed (at least annually) and the status of Directors is disclosed, together with the length of service of each Director, in the Company's Annual Report or on the Company's website.

Stanmore considers industry skills, experience and specific expertise, as well as general corporate experience, to be important attributes of its Board members. A board made up of diverse members is also important to the Company. The Directors noted below have been appointed to the Board of Stanmore due to their considerable skills, expertise, industry and corporate experience. The Company conducts comprehensive background checks prior to the appointment of any new Director. Formal letters of appointment setting out the terms of their appointment are in place for all Directors and tailored induction and training is offered to assist Directors to discharge their responsibilities effectively.

At each meeting of the Board, Directors table their current outside interests. Where it is considered that a Director has a material potential conflict, it is noted and where appropriate the relevant Director recuses themselves for that specific item of business. That decision is minuted.

There are procedures in place, agreed by the Board, to enable Directors, in furtherance of their duties, to seek independent professional advice and training and professional development at the Company's expense. Given the size and complexity of the Company, the Company Secretary has close working relationships with the Board of Directors and the senior management group. In respect of matters relating to the proper functioning of the Board and corporate governance, the Company Secretary has direct access to the Chairperson.

The term of office held by each Director in the office at the date of this Statement is as follows:

| Name              | Role                    | Independent | Term in office       | Audit & Risk Management Committee | Remuneration & Nominations Committee | Health & Safety Committee | Sustainability Committee | Disclosure Committee |
|-------------------|-------------------------|-------------|----------------------|-----------------------------------|--------------------------------------|---------------------------|--------------------------|----------------------|
| Dwi Suseno        | Chair                   | No          | 3 Years and 9 Months |                                   | ●                                    |                           | ●                        | ●                    |
| Marcelo Matos     | Executive Director/CEO  | No          | 4 Years and 3 Months |                                   |                                      | ●                         | ●                        | ●                    |
| Jimmy Lim         | Non- Executive Director | No          | 4 Years and 4 Months | ●                                 | ●                                    |                           |                          |                      |
| Richard Majlinder | Non- Executive Director | Yes         | 3 Years and 9 Months | ●                                 | ●                                    |                           |                          |                      |
| Matt Latimore     | Non-Executive Director  | No          | 1 Year And 9 Months  |                                   |                                      |                           |                          |                      |
| Brett Garland     | Non-Executive Director  | Yes         | 1 Year And 9 Months  |                                   |                                      | ●                         |                          |                      |
| Caroline Chan     | Non-Executive Director  | Yes         | 1 Year And 9 Months  | ●                                 |                                      |                           | ●                        |                      |

● Chairperson      ● Member

## ASX Principles and Recommendations

The Board is of the view that except for the departures from the ASX Recommendations as set out in the table below, it otherwise complied with all the ASX Recommendations for the relevant period.

### ASX Principles and Recommendations “Why not” explanations

#### Principle 1 – Lay solid foundations for management and oversight

##### **Recommendation 1.5**

A listed entity should:

- (a) have and disclose a diversity policy;
- (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and
- (c) disclose in relation to each reporting period:
  - (1) the measurable objectives set for that period to achieve gender diversity;
  - (2) the entity’s progress towards achieving those objectives; and
  - (3) either:
    - (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined “senior executive” for these purposes); or
    - (B) if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in and published under that Act.

Stanmore has not followed recommendations 1.5(b) and 1.5(c) in full for the whole reporting period.

As recommended under ASX Recommendation 1.5(a), Stanmore has a diversity policy disclosed and available on the Company’s website (<https://stanmore.au/corporate-governance>).

The Company throughout 2023 continued to focus on understanding its workforce and did not define measurable objectives for increasing gender diversity. In the year ahead Stanmore will define objectives to improve workforce diversity. These objectives will be supported by associated policies and procedures.

As a result of acquisition timing, Stanmore was not required to submit a Gender Equality Indicators Report in 2023. Relevant Stanmore employing entities will complete their first Gender Equality Indicators Reports during 1H 24.

As recommended under ASX Recommendation 1.5(c)(3)(A), the respective proportions of men and women on the Board, in senior executive positions and across the whole workforce as at 31 December 2023 are set out in the following table:

|                           | Male  | Female |
|---------------------------|-------|--------|
| <b>Board</b>              | 85.7% | 14.3%  |
| <b>Senior executives*</b> | 100%  | 0%     |
| <b>Workforce</b>          | 81%   | 19%    |

\*Senior executives are those personnel who hold a position on the Executive Leadership Team.

## ASX Principles and Recommendations “Why not” explanations

### Principle 2 – Structure the board to be effective and add value

#### **Recommendation 2.1**

The board of a listed entity should:

- (a) have a nomination committee which:
- (1) has at least three members, a majority of whom are independent directors; and
  - (2) is chaired by an independent director,
- and disclose:
- (3) the charter of the committee;
  - (4) the members of the committee; and
  - (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

Stanmore has not followed recommendations 2.1(a)(1) and 2.1(a)(2) for the reporting period. Stanmore has otherwise complied with recommendation 2.1 for the reporting period.

The Board has a Remuneration and Nominations Committee that has at least three members.

Stanmore notes ASX Recommendations 2.1(a)(1) and 2.1(a)(2) recommend that a majority of the nomination committee be independent directors and that an independent director be the chair of the nomination committee. Stanmore notes that it is not currently in compliance with this recommendation because the majority of the members of the Remuneration and Nominations Committee are not independent Directors and the committee is not chaired by an independent Director.

The composition of Stanmore's Remuneration and Nominations Committee remains influenced by the significant shareholding of Golden Investments which holds in excess of 59% of Stanmore's voting shares.

The Remuneration and Nominations Committee currently comprises one independent Director and two non-independent Directors (one of whom is the chair of the Remuneration and Nominations committee).

Stanmore's Remuneration and Nominations Committee is governed by its Remuneration and Nominations Committee Charter, which is disclosed on Stanmore's website (<https://stanmore.au/corporate-governance>).

The members of the Stanmore's Remuneration and Nominations Committee and the number of times the committee met throughout the reporting period and the individual attendances of the members at those meetings are disclosed in the Annual Report.

**Principle 2 – Structure the board to be effective and add value****Recommendation 2.4**

A majority of the board of a listed entity should be independent directors.

Stanmore notes ASX Recommendation 2.4 recommends that a majority of the Board be independent directors and that it is not currently in compliance with this recommendation. The Board currently comprises 3 independent Directors and 4 non-independent Directors.

Stanmore takes a conservative approach to independence and considers Directors who have, or have in the past had, a relationship with major shareholders to not be independent. The composition of the Board is influenced by the significant shareholding of Golden Investments which holds in excess of 59% of Stanmore's voting shares.

**Recommendation 2.5**

The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.

Stanmore notes ASX Recommendation 2.5 recommends that the chair of the Board should be an independent director and that it is not currently in compliance with this recommendation. Stanmore has otherwise complied with ASX Recommendation 2.5 for the reporting period.

The chair of Stanmore's Board is a nominee Director of Golden Investments which is reflective of Golden Investments' significant shareholding in Stanmore, which exceeds 59% of Stanmore's voting shares.

**Recommendation 7.3**

A listed entity should disclose:

- (a) if it has an internal audit function, how the function is structured and what role it performs; or
- (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.

Stanmore notes ASX recommendation 7.3 recommends that a company has an internal audit function. Stanmore did not have an internal audit function appointed for the entirety of current reporting period.

Stanmore appointed an internal auditor in the fourth quarter of the reporting period and will commence an internal audit function during the first quarter of 2024.

Stanmore is audited each half and full financial reporting period by its external auditors who provide an independent report to the Board on the systems and processes and procedures in place.



## ASX Principles and Recommendations “Why not” explanations

### Principle 8 – Remunerate fairly and responsibly

#### **Recommendation 8.1**

The board of a listed entity should:

- (a) have a remuneration committee which:
  - (1) has at least three members, a majority of whom are independent directors; and
  - (2) is chaired by an independent director,
 and disclose:
  - (3) the charter of the committee;
  - (4) the members of the committee; and
  - (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

Stanmore has not followed ASX Recommendations 8.1(a)(1) and 8.1(a)(2) for the reporting period. Stanmore has otherwise complied with ASX Recommendation 8.1 for the reporting period.

The Board has a Remuneration and Nominations Committee that has at least three members. Stanmore notes ASX Recommendation 8.1 recommends that a majority of the remuneration committee be independent directors and that an independent director be the chair of the remuneration committee. Stanmore notes that it is not currently in compliance with this recommendation because the majority of the members of the Remuneration and Nominations Committee are not independent Directors and the committee is not chaired by an independent Director.

The composition of Stanmore's Remuneration and Nominations Committee remains influenced by the significant shareholding of Golden Investments which holds in excess of 59% of Stanmore's voting shares.

The Remuneration and Nominations Committee currently comprises one independent Director and two non-independent Directors (one of whom is the chair of the Remuneration and Nominations Committee).

Stanmore's Remuneration and Nominations Committee is governed by its Remuneration and Nominations Committee Charter, which is disclosed on Stanmore's website (<https://stanmore.au/corporate-governance>).

The members of Stanmore's Remuneration and Nominations Committee and the number of times the committee met throughout the reporting period and the individual attendances of the members at those meetings are disclosed in the Annual Report.

## Adherence to General Principles

### Principle 1

The Board has adopted an internal self-evaluation process to measure its own performance, as well as the performance of individual Committees and individual Directors on an annual basis.

The Board has undertaken a baseline survey of its performance against an agreed set of performance criteria. Individual Directors report to the Chair on a confidential basis on their own performance, which is evaluated by the Chair, including the Chair providing feedback. The Remuneration and Nominations Committee, with the advice and assistance of the Chief Executive Officer, undertakes the evaluation process of the performance of management on an annual basis and reports to the Board.

As outlined in the Directors' Report, executives are evaluated against business objectives and their own contractual obligations, including KPIs.

For the 2023 period, performance reviews of the Board, Committees, Individual Directors (including the Chair) and management were conducted in accordance with this process.

The Company enters into a written agreement with each Director and members of executive management setting out the terms of their appointment. The agreement is with the Director or member of executive management personally unless the Company is engaging a bona fide professional services firm.

Management conducted a performance review against set key performance indicators as part of the process of awarding short term and long term incentives. Appropriate background checks are conducted on proposed new Directors and executives and material information about a Director being elected or re-elected is provided to security holders.

### Principle 2

The Board is currently comprised of seven Directors with a range of backgrounds and significant experience, skills and attributes in the key areas required to fulfil the Board's role. The following table expresses the skills and experience that the Company seeks to achieve in its directors relevant to its business.

| Professional & industry Skills          | Diversity attributes | Personal attributes and behaviours  |
|---|----------------------|-------------------------------------|
| Mining & Resources                      | Gender               | Integrity (Ethics)                  |
| Strategy & Customer                     | Age/generational     | Emotional Intelligence              |
| Corporate Transactions                  | Cultural             | Effective listener and communicator |
| Finance & Capital Markets               | Geographic           | Constructive questioner             |
| Executive Management and Leadership     | Industry             | Contributor and team player         |
| Corporate Governance                    |                      | Commitment                          |
| Environmental, Social and Governance    |                      | Critical and innovative thinker     |
| Risk and Compliance Management          |                      | Leader and ambassador               |
| People - Culture, Safety and Wellbeing  |                      |                                     |
| Stakeholder engagement & communications |                      |                                     |

The Board together with the Remuneration and Nominations Committee, is responsible for reviewing the overall skills and experience represented by Directors to ensure that the composition remains appropriate to deliver the Company's strategy. Stanmore considers that the current Director skill mix is suitable to the Company's business and strategic direction.

## Principle 3

The Stanmore vision is to be a leading resources company in Australia, creating value to our stakeholders through sustainable development. We do this with genuine care and safety for our people, our partners and stakeholders. We understand the environmental impacts of the tasks we perform and continuously explore ways to avoid, minimise and rehabilitate impacts to air, land, water and biodiversity.

Values of commitment, integrity, loyalty, positive attitude and being innovative with a continuous improvement mentality are a part of every decision made as we look to develop our resources sustainably and safely.

Directors, executives, employees and contractors are held accountable to uphold the values and Stanmore Code of Conduct in decision making and the way they work.

The Stanmore values are described in further detail below:

|                        |   |
|------------------------|---|
| Commitment             | We are committed to safety as a number one priority and to always achieving the best possible outcome for our people, partners and stakeholders |
| Integrity              | We do the right thing   |
| Innovative             | We develop processes / ideas that increase productivity and company growth  |
| Continuous Improvement | We aim to continuously enhance ourselves and our operations   |
| Positive Attitude      | We display encouraging behaviour that builds and fosters lasting relationships  |
| Loyalty                | We implement our core values in our day-to-day operations   |

The Company has a Whistleblower Policy and an Anti-Bribery and Corruption Policy which are published on both the Company website and internal document management system.

The published Code of Conduct guides employees, contractors, suppliers, executive officers and Directors in carrying out their duties and responsibilities. The Code of Conduct covers matters such as:

- acting in the best interests of the Company;
  - acting honestly and with high standards of personal integrity;
  - complying with the laws and regulations that apply to the Company and its operations;
  - not knowingly participating in any illegal or unethical activity;
- not entering into any arrangement or participating in any activity that would conflict with the Company's best interests or that would be likely to negatively affect the Company's reputation;
- not taking advantage of the property or information of the entity or its customers for personal gain or to cause detriment to the entity or its customers; and
- not taking advantage of their position or the opportunities arising from their position with the Company for personal gain.

Any material breaches of the Company's policies are reported to the Board (or a committee of the Board), Chief Executive Officer, Chair, Whistleblower Officer or senior management, as appropriate. The Board is informed of any material incidents reported under the Code of Conduct.

## Principle 4

The Company has an Audit and Risk Management Committee which comprises of three non-executive directors and a majority of whom are independent directors. The Committee is chaired by an independent director, who is not the chair of the Board. The Audit and Risk Management Charter can be found on the Company's website at <https://stanmore.au/investors/corporate-governance>. The relevant qualifications and experience of the members of the Audit and Risk Management Committee and the number of times the committee met throughout the reporting period and the individual attendances of the members at those meetings are disclosed in the Annual Report.

Before the Board approved the Company's financial statements for 2023, it received written assurances from the Chief Executive Officer and Chief Financial Officer that to the best of their knowledge and belief, the declaration provided by them in accordance with section 295A of the Corporations Act is

founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

The Company is committed to providing clear, concise and effective disclosure in its corporate reports. Processes are in place to verify the integrity of all Company announcements and unaudited periodic reports released to the market, to ensure that they are factual, complete, accurate and provide investors with appropriate information to make informed investment decisions. This process includes relevant internal stakeholders reviewing and signing-off on the section of the report to which they contributed prior to receiving approval by the Board.

## Principle 5

Detailed compliance procedures for ASX Listing Rule disclosure requirements have been adopted by the Company. Stanmore's Market Disclosure and Communications Policy is available on the Company's website at <https://stanmore.au/investors/corporate-governance>.

The Board receives copies of all ASX announcements promptly via the ASX notification service.

The Disclosure Committee supports the Board to ensure the Company meets its primary disclosure obligations to immediately disclose market sensitive information to the ASX and to ensure that all market sensitive information is considered for compliance with the Company's continuous disclosure obligations.

The Company's Disclosure Committee Charter is available on the Company's website at <https://stanmore.au/investors/corporate-governance>. The Disclosure Committee comprises the Chair of the Board, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary.

Copies of investor presentation material are released to market ahead of the presentation.

## Principle 6

The Company, through its Shareholders Communication Policy, promotes effective communication with shareholders and encourages effective participation at general meetings by providing information to shareholders:

- through the release of information to the market via the ASX;
- through the distribution of the Annual Report and notices of annual general meeting;
- through shareholder meetings and investor relation presentations;
- by offering security holders the option to receive ASX announcements and other notices from the Company electronically or by post; and
- by posting relevant information on Stanmore's website.

The Company's website has a dedicated investor relations section for the purpose of publishing corporate governance and other important company information, including relevant announcements made to the market, at <https://stanmore.au/investors>. Investors are provided the opportunity to contact Stanmore and ask questions.

At the Annual General Meeting, all shareholders are given the opportunity to ask questions prior to the meeting through informal discussions with the Board and Group Executives and during the meeting when comments and questions are invited. All substantive resolutions at shareholder meetings are decided by a poll rather than a show of hands.

The Company also gives shareholders the option to receive communications from, and send communications to, the Company and its Share Registry provider, Link Market Services Limited, electronically.

## Principle 7

The Board has an Audit and Risk Management Committee that comprises three members, a majority of whom are independent Directors and is chaired by an independent Director.

Stanmore's Audit and Risk Management Committee is governed by its Audit and Risk Management Committee Charter, which is disclosed on Stanmore's website (<https://stanmore.au/investors/corporate-governance>).

The members of the committee and the number of times the committee met throughout the reporting period and the individual attendances of the members at those meetings are disclosed in the Annual Report.

The Company is exposed to a range of market, financial, operational, environmental, and socio-political risks that could have an adverse effect on the Company's future performance. The nature and potential impact of these risks can change over time and vary in degree to the extent they can be controlled by the Company.

The Company has a risk management framework in place with internal control systems to mitigate these key business risks. The Company's approach to its risk management policies is detailed in the Audit & Risk Management Committee Charter available on the Company's website at <https://stanmore.au/investors/corporate-governance>. Management has evaluated the various risks in the reporting period as disclosed in the Annual Report and Sustainability Report.

In respect of the Company's financial statements and systems of accounting control, the Company's external auditor attends the Company's Annual General Meeting to address questions from shareholders.

The Audit & Risk Management Committee evaluates and addresses risks within the business as outlined in its Charter. A review of the risk management framework has been undertaken by the Committee in the period.

During the fourth quarter of 2023, the Company made a decision to develop an internal audit function.

The Company and Directors recognise the importance of Environmental, Social and Governance matters (ESG). The role of the Sustainability Committee is to provide the necessary focus and guidance on ESG matters and, with the use of benchmarking, assist management to improve ESG outcomes and performance for the Company, and to support the Board and management in understanding stakeholder expectations with respect to ESG matters.

The Company's Sustainability Committee Charter is available on the Company's website at <https://stanmore.au/investors/corporate-governance>. It sets out the Company's principles behind ESG decision-making and affirms the Company's commitment to sustainable development. The Sustainability Committee Charter also references a clear commitment to governance and transparency.

The Sustainability Committee comprises one independent Director, who is the chair of the Committee and two non-independent Directors one of whom is the Chair of the Board and the Chief Executive Officer.

Specific risks relating to the environment, climate change or social aspects are disclosed in the Annual Report and Sustainability Report.

## Principle 8

The Company has established a Remuneration and Nominations Committee. The Remuneration and Nominations Committee's objectives and compliance are detailed in the Remuneration and Nominations Committee Charter available on the Company's website at <https://stanmore.au/corporate-governance>.

The Company's remuneration framework for Directors and Group Executives is set out in the Remuneration Report of the Annual Report. The Remuneration Report includes a summary of Company policies and practices for determining the nature and amount of remuneration for non-executive Directors and Group Executives, and the relationship between those policies and Company performance.

Details of the nature and amount of each element of the remuneration of Directors and Key Management Personnel of the Company are disclosed in the relevant section of the Annual Report. There is no retirement benefit scheme for Directors other than payment of statutory superannuation and Non-Executive Directors are not eligible for performance-based remuneration.

The Company has adopted a Securities Trading Policy that includes a prohibition on margin lending, hedging, derivative and any other secured financing arrangement. This is aimed at ensuring participants do not enter into arrangements which would have the effect of limiting their exposure to risk in relation to all or part of their remuneration that has not vested, or has vested but remains subject to a restriction arrangement. The Company's Securities Trading Policy is available on the Company's website at <https://stanmore.au/corporate-governance>.