



**SANDFIRE**  
RESOURCES



2020 Corporate  
Governance Statement

# 2020 CORPORATE GOVERNANCE STATEMENT

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# 2020 CORPORATE GOVERNANCE STATEMENT

## Approach to corporate governance

The Board and all levels of management are fully committed to maintaining and enhancing corporate governance so that it continues to contribute to Sandfire's key growth objective to transition from a single-mine company into an international, diversified and sustainable base and precious metals producer.

Whilst the Board is responsible for establishing the corporate governance framework of Sandfire Resources Ltd (**Sandfire** or the **Company**), we believe good governance is the collective responsibility of all our management and staff. We believe that excellence in governance is intrinsic to our social license to operate, essential for the long-term sustainability of our business and is one of our key focus areas and measures of success.

Our governance framework supports our people to deliver our strategy and provides an integral role in effective and responsible decision making and business conduct. The Code of Conduct and Sandfire's governance policies reinforce the importance of our values in carrying out our responsibilities to shareholders, employees, business partners, government, regulators and the broader community.

This Corporate Governance Statement outlines the key features of Sandfire's governance framework and discloses the extent Sandfire has followed the 3rd Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Recommendations**). During the FY2020 reporting period, the Company's corporate governance practices have complied with all relevant ASX Recommendations.

The Company regularly reviews its governance practices and corporate governance policies to reflect the growth and strategy of the Company, current legislation and best practice. We have completed a review following the release of the 4th edition of the ASX Recommendations and are pleased to report that a majority of our current practices are in line with the new recommendations. We will report against the 4th edition of the ASX Recommendations in our FY2021 Corporate Governance Statement.

**Sandfire's Corporate Governance Statement is accurate and current as at 30 September 2020 and has been approved by the Board of Directors.**

The Corporate Governance Statement can be found on the Governance page of our website at [www.sandfire.com.au/site/About/corporate-governance](http://www.sandfire.com.au/site/About/corporate-governance), along with the ASX Appendix 4G - a checklist cross-referencing the ASX Recommendations to disclosures in the Corporate Governance Statement, the 2020 Annual Report and the Company website.

In accordance with the ASX Recommendations, the Company's policies and charters, referred to in this statement, are available on the Governance page of our website at [www.sandfire.com.au/site/About/corporate-governance](http://www.sandfire.com.au/site/About/corporate-governance).

## Governance highlights

On 1 July 2020, we announced details of a Board Succession Plan, senior management restructure and other corporate and strategic organisational changes designed to ensure the Company is appropriately structured and resourced for its next growth phase. The changes followed a detailed strategic and structural review (**Strategic Review**) undertaken in FY2020, which confirmed Sandfire's key growth objectives as it makes the transition from a single-mine company into an international, multi-asset base and precious metals producer.

Informed by the outcomes of the Strategic Review, the Board commenced an orderly and measured succession process to ensure we continue to have a strong, well-credentialed Board in place to oversee the Company's next growth phase. The succession plan prioritises continuity and stability while also balancing the need for governance and strategic leadership.

As part of this process, the Company announced the appointment of experienced human resources and accounting executive Sally Langer to the Board as an Independent Non-Executive Director, effective 1 July 2020.

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Non-Executive Director Maree Arnason retired from the Sandfire Board on 30 June 2020 and Non-Executive Director Robert Scott will retire from the Board following the completion of the 2020 Annual General Meeting (AGM).

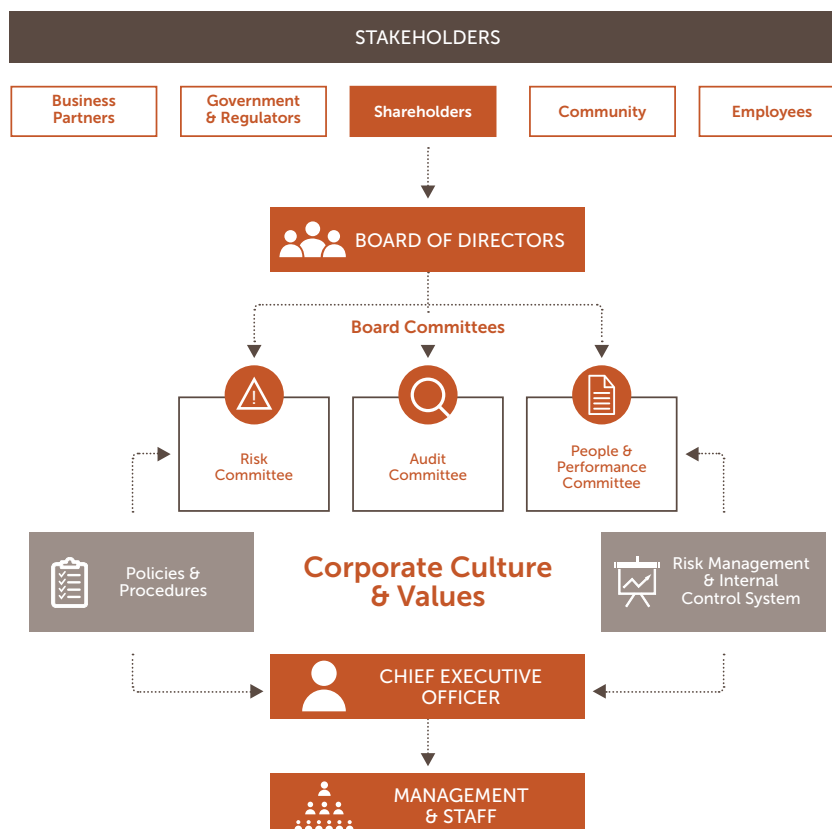
A formal recruitment process has commenced to further build the strength and capability of the Sandfire Board with a strong focus on recruiting non-executive directors with international business and strategic mining experience and financial acumen. Diversity of knowledge, experience and gender is highly desired across the Company. Female representation at a non-executive director level remains a key focus and the Board has reaffirmed its intention to consider, and ultimately meet, the diversity objectives set out in our Corporate Governance Statement during this process.

In line with the Strategic Review, the Board also implemented several changes to its Board Committee structure to more closely align the functions and objectives of these committees to the Company's broader strategic imperatives.

The Board resolved to establish the following Board Committees, with effect from 1 July 2020:

- Audit Committee;
- Risk Committee; and
- People and Performance Committee.

The revised Committee structures, including membership and respective Committee Charters have been adopted by the Board and are available on the Corporate Governance page of our website. The resulting governance framework for Sandfire is displayed below.



This Corporate Governance Statement reports on the Board and Committee structure that was in place during FY2020. We will report against the revised Committee structure in our FY2021 Corporate Governance Statement.

# 2020 CORPORATE GOVERNANCE STATEMENT

## The role of the Board

The Board of Directors of Sandfire is responsible for establishing the corporate governance framework of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable. In performing its responsibilities, the Board acts in the best interests of the Company and its shareholders, acting honestly, fairly and diligently and in accordance with the duties and obligations imposed upon it by Sandfire's Constitution and the law.

The Board has adopted a written Charter to provide a framework for its effective operation which sets out:

- the composition and responsibilities of the Board;
- the relationship and interaction between the Board and management;
- certain authorities delegated by the Board to Board Committees and management; and
- the functions of the Board, by describing the structure of the Board and its committees, the need for independence and other obligations of directors.

The Board Charter is available on our website at [www.sandfire.com.au/site/About/corporate-governance](http://www.sandfire.com.au/site/About/corporate-governance).

The Board's role is to:

- represent and serve the interests of shareholders by overseeing and reviewing the Company's strategies, policies and performance. This includes overseeing the financial and human resources the Company has in place to meet its objectives, as well as reviewing management performance;
- protect and optimise the Company's 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 with a framework of effective controls that enable risk to be assessed and managed;
- set, review and ensure compliance with the Company's values and governance framework (including establishing and observing high ethical standards); and
- ensure shareholders are kept informed of the Company's performance and major developments affecting its state of affairs.

Matters which are specifically reserved for the Board include:

- appointment of a Chair;
- appointment and removal of the Managing Director, or equivalent;
- appointment of Directors to fill a vacancy or as additional Directors;
- appointment and removal of a Company Secretary;
- establishment of Board Committees, their membership and delegated authorities;
- approval of dividends;
- approval of major capital expenditure, significant indebtedness, acquisitions and divestitures in excess of authority levels delegated to management; and
- calling of meetings of shareholders.

Under the Board Charter, the Board has delegated responsibility for the day-to-day management of the Company's business and affairs to the Managing Director and Chief Executive Officer (**CEO**). The CEO is assisted in this responsibility by the Executive Committee (**ExCo**).<sup>1</sup> The ExCo, led by the CEO, is responsible for the leadership, culture and management of the Company. The ExCo performs its role in consultation with, and obtains guidance from, the Board and Board Committees.

Management is responsible for implementing the strategic objectives and operating within the risk appetite set by the Board and for all other aspects of the day-to-day running of the Company. It is also responsible for providing the Board with accurate, timely and clear information to enable the Board to effectively perform its responsibilities.

<sup>1</sup>ExCo comprises the Chief Executive Officer & Managing Director, Chief Operating Officer and the Chief Financial Officer.

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Internal control processes are in place to allow management to operate within the delegations approved by the Board, and the CEO cannot commit the Company to activities or obligations outside these delegated authorities without the specific approval of the Board. The Company also has in place a Board approved Company Authority Matrix, which is available and circulated throughout the Company and makes clear to every employee what is, or is not, within the scope of their authority.

The Board is responsible for appointing a Company Secretary. The Company Secretary is accountable to the Board and all Directors are able to communicate directly with the Company Secretary. The decision to appoint and remove the Company Secretary is the decision of the Board. The Company Secretary is responsible for supporting the effectiveness of the Board and is directly accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.

The duties and responsibilities of the Company Secretary include:

- supporting the effectiveness and proper functioning of the Board;
- advising the Board on its committees and governance matters;
- ensuring Board and committee policies and procedures are followed;
- coordination of all Board and committee business, including the dispatch of agendas and papers;
- ensuring Board and committee meetings are captured accurately in the minutes; and
- organising and facilitating the induction and professional development of Directors.

### Composition and skills of the Board

The Sandfire Board comprises six Directors – one Executive Director being the Managing Director and CEO, and five Non-Executive Directors (**NEDs**). The period of office held by, and the independence status of, each Director is set out below.

Name	Position	Appointed	Term	Independent	Last elected or re-elected at an AGM
Derek La Ferla	Non-Executive Chairman	17 May 2010	Full year	Yes	29 November 2017
Karl Simich	Managing Director/CEO	27 Sep 2007 <sup>(a)</sup>	Full year	No	Not applicable
Robert Scott	Non-Executive Director	30 Jul 2010	Full year	Yes	29 November 2018
Paul Hallam	Non-Executive Director	21 May 2013	Full year	Yes	27 November 2019
Maree Arnason	Non-Executive Director	18 Dec 2015 <sup>(b)</sup>	Full year	Yes	27 November 2019
Roric Smith	Non-Executive Director	31 Dec 2016	Full year	Yes	29 November 2017
Sally Langer	Non-Executive Director	01 July 2020 <sup>(c)</sup>	N/A	Yes	Not applicable

<sup>(a)</sup> Mr Karl Simich was appointed Managing Director and CEO on 1 July 2009.

<sup>(b)</sup> Ms Maree Arnason resigned as Independent Non-Executive Director on 30 June 2020.

<sup>(c)</sup> Ms Sally Langer was appointed to the position of Independent Non-Executive Director on 1 July 2020.

## 2020 CORPORATE GOVERNANCE STATEMENT

The Board meet as often as is necessary to fulfil their roles. Directors are required to allocate sufficient time to the Company to discharge their responsibilities effectively, including adequate time to prepare for Board meetings and joining visits to the Company's operational sites. Attendance at Board meetings during the 2020 financial year are summarised below.

Name	Number of meetings attended	Number of meetings held
Derek La Ferla	9	9
Karl Simich	9	9
Robert Scott	9	9
Paul Hallam	9	9
Maree Arnason	9	9
Roric Smith	9	9

The skills, experience and expertise of each Director, including current and former directorships and length of service are set out in more detail in the biographies in the Directors' Report (contained in the 2020 Annual Report), as well as on the Directors page on the Company's website.

The Board actively seeks to ensure that its members collectively have the right mix of background, skills, knowledge, personal attributes and experience necessary to guide and govern the Company effectively and in accordance with highest standards.

Informed by the outcome of the Company's Strategic Review, the Board reviewed its board skills matrix (**BSM**) during FY2020. The objective of the review was to clearly outline the skillset required at Board level to support Sandfire's revised strategy. The result of the independent and structured process was also used to guide the development of a Board Succession Plan.

The skills matrix was expanded to include additional specialist skills and experience which are aligned to the Company's needs. Below is the revised BSM which sets out the skills, experience and expertise the Board currently has and is looking to achieve in its membership.

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The BSM set out below describes the combined skills, experience and expertise presently represented on the Board.

## Skills and experience

### Strategy and Planning

- Experience in developing and implementing strategic business plans.
- Execution of international growth strategies.

### People and Culture

- Understanding, implementing and monitoring good organisational culture and experience in setting remuneration frameworks (including incentive programs).
- Experience in people management and human resources policy.

### Financial Acumen

- Expertise in financial accounting and reporting, corporate finance, corporate taxation and internal financial controls.

### International Operations

- International mining experience at a senior executive level in various geographies.
- Exposure to multiple cultural, regulatory and business environments.

### Mining and Commodities

- Experience as a senior executive at a mining and resources company, including experience working on large scale capital projects and long term investment horizons from planning to execution phases.
- End to end value or commodity chain experience, including commodity and currency markets, customers and competitors.

### Legal and Regulatory

- Corporate legal experience, regulatory compliance and identification of legal and regulatory risk.

### Exploration

- Experience with international exploration targeting and allocation.

### Health, Safety and Environment

- Demonstrate an understanding of health and safety practices.
- Understanding of risks and opportunities regarding climate change.
- Former or current role with direct accountability for environment practices including energy, water management, emissions and land management.

### External Relations and Community

- Experience in socially responsible development and engaging with local communities, Native Title claimant groups, government and regulators and industry associations.
- Interaction with the investment community.

### Board Governance

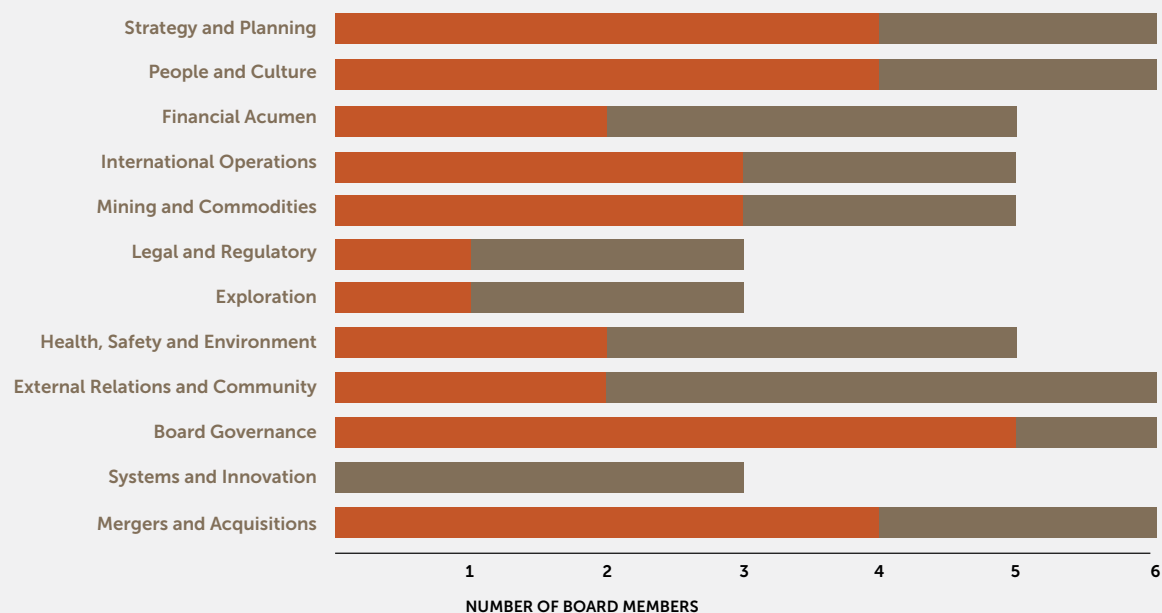
- Non-executive Director and/or senior executive experience in a publicly listed company in Australia or overseas.
- Experience in implementing and operating robust risk management frameworks.
- Commitment to high standards and systems of governance and compliance.

### Systems and Innovation

- Knowledge and experience in use and governance of critical information systems.
- Knowledge and experience with emerging technology and technical innovation.

### Mergers and Acquisitions

- Execution and involvement in various M&A or business development, including equity and debt funding strategies.



**Primary skillset:** a Director can demonstrate deep expertise and knowledge in the area, and has a track record of successfully delivering objectives as part of their Executive roles with full responsibility and oversight.

**Secondary skillset:** a Director can demonstrate knowledge and awareness in the area, and as part of their Non-Executive and/or Executive roles has experience delivering objectives with some level of responsibility and oversight.



# 2020 CORPORATE GOVERNANCE STATEMENT

## Director selection and succession planning

The Board regularly reviews its membership to ensure that it has the appropriate mix of diversity, skills and experience required to meet the needs of the Company. When a Board position becomes vacant or additional Directors are required, external professional advisors are engaged to assist with identifying potential candidates to ensure that a diverse range of candidates are considered.

Before the Company proposes to appoint a new Director, appropriate background checks are conducted which include checks such as the person's experience, education, criminal record and bankruptcy history.

Directors receive formal letters of engagement setting out the key terms, conditions and expectations of their engagement. This includes: disclosure of director interests; compliance with corporate policies; requirements when accepting a new role; indemnity and insurance arrangements; policy on seeking independent professional advice; access to corporate information; and confidentiality obligations.

In accordance with the Company's Constitution, no Director may hold office without re-election beyond the third AGM since the Director was last elected or re-elected. The Company's Constitution also requires that Directors, excluding the Managing Director, who have been appointed by the Board, must retire and stand for election at the next AGM following their appointment.

When candidates are submitted to shareholders for election or re-election, the Company includes in the Notice of AGM all material information relevant to a decision on whether or not to elect or re-elect a Director.

Refer to the Governance Highlights section of this statement for more details on the progress of the Company's Board Succession Plan that commenced in FY2020.

## Induction procedures and ongoing professional development

Sandfire has formal induction procedures for both Directors and senior executives. These induction procedures have been developed to enable new Directors and senior executives to gain an understanding of:

- Sandfire's financial position, strategies, operations and risk management practices; and
- the respective rights, duties and responsibilities and roles of the Board and senior executives.

## Director independence

The Board consists of a majority of independent Directors. Directors of Sandfire are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement.

The Board will consider the materiality of any given relationship on a case-by-case basis and has adopted guidelines to assist in this regard. The Board, guided by the Board Charter, considers thresholds of materiality for the purposes of determining independence in accordance with the ASX Recommendations, having regard to both quantitative and qualitative factors. Specifically, the Board will consider whether there are any factors or considerations which may mean that the Director's interest, business or relationship could, or could be reasonably perceived to, materially interfere with the Director's ability to act in the best interests of the Company and its shareholders.

Each Director is required by the Company to declare that they satisfy the independence criteria set out in the Board Charter and to disclose any related interest or details of other interests in the Company. The Board is also guided by the Sandfire Code of Conduct, which provides a framework to assist in managing and disclosing any conflicts of interest that may arise.

The roles of Chair and Chief Executive Officer are not exercised by the same individual.

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## Board Committees

Board Committees assist the Board with effectively discharging its responsibilities. They are able to focus on a particular responsibility and provide informed feedback to the Board.

The Board had the following committees in FY2020:

- Audit and Risk;
- Remuneration and Nomination; and
- Sustainability.

The Committee Charters are available on our website at [www.sandfire.com.au/site/About/corporate-governance](http://www.sandfire.com.au/site/About/corporate-governance).

Details of the membership, number of meetings held and the number of meetings attended by each Director during the FY2020 are set out in the table below. Directors were a member of the committee for the entire period unless otherwise noted.

Committee	Members	Meetings of Committees	
		Number of meetings attended	Number of meetings held
Audit and Risk	Robert Scott (Chair)	3	3
	Derek La Ferla	3	3
	Paul Hallam	3	3
	Maree Arnason	3	3
Remuneration and Nomination	Paul Hallam (Chair)	2	2
	Derek La Ferla	2	2
	Robert Scott	2	2
Sustainability	Maree Arnason (Chair)	4	4
	Derek La Ferla	4	4
	Roric Smith	4	4

All the members of the committees were independent NEDs and each committee is chaired by a NED, who is not the Chair of the Board. Further, there is a minimum of three members per Committee.

Each committee is entitled to the resources and information it requires to carry out its duties, including direct access to advisers and employees. Directors are welcome to attend any meeting and each committee reports its deliberations to the next Board meeting.

## Performance evaluation and remuneration

### Evaluation of Board performance, committees and individual Directors

The Board regularly monitors the performance of the Board, its committees and individual Directors throughout the year and conducts a review of their performance on an annual basis. This occurs through a process of internal review led by the Chairman and can be performed with the assistance of external advisers as considered appropriate.

The 2020 financial year review was led by the Chairman with one-on-one discussions. The outcome of the review and initiatives to improve the operation and performance of the Board and its committees were discussed and considered by the Directors.

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## Evaluation of Senior Executives' performance

Senior executives have formal agreements containing detailed duties and responsibilities associated with their role.

The process for evaluating the performance of senior executives is carried out in accordance with the Company's Remuneration Framework. The Chairman conducts the performance evaluation of the CEO, including an assessment of the CEO's performance against specific and measurable financial and non-financial performance criteria. The evaluations of the other senior executives are conducted by the CEO, through a structured interview process. The results of the performance assessments are presented to the Board.

Further details of how the Company assesses the performance of the senior executives are set out in the Remuneration Report (contained in the 2020 Annual Report).

## Remuneration

### *Remuneration of executives*

The Sandfire Board is committed to delivering remuneration strategy outcomes that:

- Motivate the senior executives to pursue the long-term growth and success of Sandfire;
- Represent a strong alignment between pay and performance;
- Support equity and fairness across all levels of the organisation; and
- Support Sandfire's purpose and values and incentivise for behaviours within the Company's risk profile.

Further details in relation to senior executives' remuneration are set out in the Remuneration Report (contained in the 2020 Annual Report).

### *Remuneration of NEDs*

The Company clearly distinguishes the structure of NEDs' remuneration from that of senior executives. Sandfire's NED remuneration policy is designed to attract and retain suitably skilled Directors who can discharge the roles and responsibilities required in terms of good governance, oversight, independence and objectivity. The Board seeks to attract Directors with different skills, experience, expertise and diversity.

Under the Company's Constitution and the ASX Listing Rules, the total annual fee pool for NEDs is determined by shareholders. The current maximum aggregate NED fee pool of \$1,000,000 per annum was approved by shareholders at the 2019 AGM. Within this aggregate amount, NED fees are reviewed annually by the Board.

Refer to the Company's Remuneration Report (contained in the 2020 Annual Report) for further details in relation to NED remuneration.

## Risk framework

### Management of risks

The Board is committed to reviewing and overseeing the risk management strategy for Sandfire and for ensuring the Company has an appropriate corporate governance structure, in order to support the achievement of business objectives. Sandfire's Risk Management Policy outlines the Company's approach to managing risks and is available on the Governance page of Sandfire's website.

Sandfire's business, operating and financial performance is subject to a range of risks and uncertainties, some of which are beyond Sandfire's reasonable control. The identification and effective management of these risks, including measured risk-taking is viewed as an essential part of the Company's approach to creating long-term shareholder value.

Sandfire's Risk Management Framework is applied across the Company and assists the Board and management to identify, assess, manage and monitor risks. Management is responsible for the day-to-day design and implementation of Sandfire's risk management system. Risk management forms part of Sandfire's line management and operational responsibilities and is integrated into the strategic and business planning processes.

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Business risks are assessed on a regular basis, including consideration of potential new and emerging risks. Material risks are documented and monitored with the implementation of preventative and mitigating processes and controls. Mitigating processes and controls are designed to minimise the adverse impact on Sandfire should a risk or uncertainty materialise.

The Company has a comprehensive system of internal controls in place to ensure that risks are managed effectively to protect the Company's interests, this includes but is not limited to:

- Implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets, including the establishment and monitoring of financial and non-financial KPIs;
- Delegations of authority formalised in a Board approved Company Authority Matrix that sets out authority levels for expenditure and commitments, including capital, for different levels of management within the Company;
- Regular and timely reporting on safety incidents and actions to improve safety performance; and
- Appropriate due diligence procedures for investments.

Underpinning the efforts is a comprehensive set of policies and procedures directed towards achieving:

- An effective and efficient use of the Company's resources;
- Compliance with laws and regulations; and
- Preparation of reliable published information.

Material risks are regularly reported to the Board and its committees. These reports include the status and effectiveness of control measures relating to each material risk.

During FY2020, the Board, Audit and Risk Committee and the Sustainability Committee each received reports on material risks relevant to their responsibilities and received management updates throughout the year. The Audit and Risk Committee reviewed and reported to the Board that:

- the Company's ongoing risk management program effectively identifies all areas of potential risk;
- adequate mitigation activities are designed and implemented to manage risks; and
- there are regular reviews on the process of the implementation of designed risk mitigation activities.

With effect from 1 July 2020, the Risk Committee will assist the Board in fulfilling its responsibilities for governance and oversight relating to risk management including environmental and social sustainability risks.

The key business risks that could have an impact on the Company achieving its financial goals and business strategy, including the Company's response to the COVID-19 global pandemic, are disclosed in the Directors' Report (2020 Annual Report). The Company is exposed to numerous risks, most of which are common within the mining industry. Material exposure to environmental and social sustainability risk and how the Company manages those risks, are disclosed in the 2020 Annual Report, which is available on the Company's website [www.sandfire.com.au](http://www.sandfire.com.au).

### Internal audit function

Sandfire has an internal audit function that assists the Board by undertaking an objective evaluation of the Company's internal control framework, focusing on Sandfire's key risks. The Audit and Risk Committee has been responsible for overseeing the internal audit work plan with the assistance of the head of the internal audit function and external advisers, as considered appropriate. Where external advice is sought, the adviser is invited to meetings to present internal audit findings and has the opportunity to meet privately with the Audit and Risk Committee and its members.

The Risk Committee will be responsible for overseeing the internal audit function with effect from 1 July 2020.

The Board agrees that due to its nature, internal control assurance can only be reasonable rather than absolute. This is due to such factors as the need for judgement, the use of testing on a sample basis, the inherent limitations in internal control and because much of the evidence available is persuasive rather than conclusive and therefore is not and cannot be designed to detect all weaknesses in control procedures.

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## External auditor

Sandfire's External Audit Policy requires that its external auditing firm must be independent of the Company. The Audit and Risk Committee reviews and assesses the independence of the external auditor on an annual basis. The Charter contains an External Audit Policy, which provides information on procedures for the selection and appointment of the external auditor, and for the rotation of external audit engagement partners, presently every 5 years, unless otherwise approved by the Audit and Risk Committee and the Board of Sandfire.

The Company's external auditor will attend the 2020 AGM and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the Auditor's Report disclosed in the Financial Report (2020 Annual Report). The external auditor will also be allowed a reasonable opportunity to answer written questions submitted by shareholders to the auditor as permitted under the Corporations Act 2001.

## CEO and CFO certification

In accordance with section 295A of the Corporations Act, the CEO and CFO have provided written statements to the Board in respect of each half and full year financial period that, in their opinion, the financial records of the Company have been properly maintained in accordance with the Act; the financial statements and the notes for the period comply with accounting standards and give a true and fair view of the financial position and performance of the entity and their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

## Governance policies

The Group has developed a number of codes and policies to help Directors and employees understand what is expected of them.

Below is a summary of Sandfire's core codes and policies which apply to Directors, employees and contractors. Each of the policies listed below are available on the Governance page on Sandfire's website.

## Code of Conduct

The Board recognises the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Board has established a Code of Conduct which applies to everyone who undertakes business with Sandfire including Directors, employees, and contractors of Sandfire.

Our **Code of Conduct** articulates our values and sets the standards of behaviours that are expected from our workforce. The Code forms the foundation of our internal governance and articulates our philosophy of Don't Walk Past.

The key principles underpinning the Code of Conduct are:

- our actions must be governed by the highest standards of integrity and fairness;
- our decisions must be made in accordance with the spirit and letter of applicable law; and
- our business must be conducted honestly and ethically, with our best skills and judgement, and for the benefit of our people, shareholders, stakeholders, customers and Sandfire alike.

The objective of the Code of Conduct is to:

- provide guidance to all who work with Sandfire on what constitutes acceptable behaviour;
- support Sandfire's business reputation and corporate image within the community; and
- make employees aware of the consequences if they breach the Code.

It is a requirement that all our employees undertake training in the Code of Conduct and our business leaders have an additional duty of care to reinforce the Code through their management practices and personal conduct.

We review our Code every two years, or when there is a material change to the business, to ensure it remains current and relevant to the business and regulatory environments in which we operate.

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## Whistleblower Protection Policy

Our people are encouraged to raise concerns of unethical or inappropriate behaviour. The Whistleblower Protection Policy provides a safe and confidential environment for any officer, employee, contractor or associate of Sandfire and any of their direct relatives, to raise any concerns of unethical or inappropriate behaviour in good faith and without fear of reprisal.

The policy was reviewed during the year for compliance with new Australian legislation introduced in 2019. Communication and roll-out of the revised policy to our employees and contractors was completed and we have appointed a dedicated internal Whistle-blower Protection Officer.

During the year, our management team also attended training sessions to understand their responsibilities in receiving and managing reported disclosures.

Reports can be made directly to the Company, via our Whistle-blower protection officer, or anonymously through a whistle-blower helpline. The helpline can be accessed 24 hours a day, seven days a week, and is operated by an independent third party.

## Securities Trading Policy

The Board has approved a Securities Trading Policy, which:

- explains the types of conduct in dealing in securities that are prohibited under the Corporations Act; and
- establishes a best practice procedure for the dealing in securities that protects the Company, Directors and personnel against misuse of unpublished information which could materially affect the value of securities.

The rules set out in the policy are designed to assist in preventing breaches of the insider trading provisions of the Corporations Act and to enable the Company to satisfy the disclosure requirements of the ASX Listing Rules. The policy also establishes “blackout periods” during which Directors, senior executives, employees, contractors and their closely related parties must not trade in the Company’s securities. It also prevents Directors and senior executives from entering into any hedging arrangements over unvested securities issued pursuant to an equity based remuneration scheme.

## Disclosure Policy

The Board has endorsed a Disclosure Policy, which sets out processes that assist the Company to ensure that all investors have equal and timely access to material information about the Company and that Company announcements are factual and presented in a clear and balanced way. The processes set by the policy ensure the integrity of all reports and materials released to the market including periodic corporate reports.

The Disclosure Policy also sets out the procedures for identifying and disclosing material and market-sensitive information in accordance with the Corporations Act and the ASX Listing Rules.

## Diversity and Inclusion Policy

Sandfire is committed to fostering a culture of diversity and inclusion, where differences are valued, and everyone is welcomed and treated with respect. Sandfire believes that the diverse backgrounds and experiences of our employees positively contributes to our organisational culture and that striving for diversity will:

- attract the best people and broaden the pool of high quality employees;
- support employee retention;
- encourage greater innovation, enhanced work practices, productivity and profitability; and
- is socially and economically responsible good practice.

## 2020 CORPORATE GOVERNANCE STATEMENT

Sandfire's commitment to progress diversity across the organisation can be evidenced through:

- setting measurable objectives for achieving improvement in the diversity of the workforce, in particular gender diversity, and assessing, at least annually, progress towards achieving the diversity objectives;
- creating an environment where everyone feels respected and valued to perform their best;
- endorsing Sandfire's Diversity Working Group, led by the Company Secretary and CFO, to guide the diversity and inclusion strategy, and implement and monitor initiatives against objectives;
- reporting progress on diversity objectives and diversity metrics to stakeholders;
- recruitment that is based on alignment to Sandfire's values, merit, skills and qualifications;
- developing appropriate leadership, talent management, training and mentoring programs; and
- supporting our people to balance their commitments outside of work and to promote work flexibility consistent with business success.

### Gender Diversity

Sandfire offers equal remuneration for all our employees, reflective of the type of job, years of experience and the period for which employees have held their position. We conduct bi-annual, independent reviews of employee earnings by gender and level to provide assurance that our employees' remuneration remains equitable and in line with market trends.

The result of our most recent review, completed in mid-2019, concluded there were no gender pay gaps.

The Company continues to review its policies and initiatives to promote gender diversity and to that end, we recently introduced paid parental leave for eligible employees of up to 12 weeks for the primary caregiver and 2 weeks for the secondary caregiver.

### Measurable Objectives for achieving gender diversity

The table below sets out the measurable objectives for the 2020 financial year and provides details on the progress of the Company toward achieving them.

	Objective	Measure	Results
1	Improve current female Board representation.	At least 30% of Directors on the Board are female by 30 June 2021.	Female representation on the Board as at 30 June 2020 was 17%.
2	Improve current female representation at the senior executive <sup>(a)</sup> position level.	Improve current female representation at the senior executive level by 30 June 2021.	Female representation at 30 June 2020 was 18%.
3	Continue to support female representation in management positions by maintaining and where possible, improve, female representation at a level 20% above the mining industry average.	Number of female managers is at least 20% more than mining industry average for female management representation.	Female representation in management positions at 30 June 2020 was 20%. The outcome was 13% above the mining industry average <sup>2</sup> . In line with the corporate restructure, the increase in female representation at the senior executive position level included the promotion of female managers driven by broadened roles and accountabilities. As a result, this target was not achieved.
4	Continue to support overall female representation by maintaining and where possible, improve female representation at a level 20% above the mining industry average.	Number of females within the workforce is at least 20% more than mining industry average for overall female representation.	Female representation at 30 June 2020 was 24%. The outcomes was 41% above the mining industry average <sup>3</sup> .

<sup>(a)</sup> 'Senior executive' includes the ExCo, Heads and General Managers who are responsible for setting the strategic direction for projects and functions and participate in the Company's Long Term Incentive Plan.

<sup>2</sup>WGEA Mining Division: Workforce Composition – All managers 2019: 17.7%

<sup>3</sup>WGEA Mining Division: Workforce Composition – All: 17%

## 2020 CORPORATE GOVERNANCE STATEMENT

The table below sets out the measurable objectives for the 2021 financial year.

Objective	Measure
1 Improve current female Board representation.	At least 30% of Directors on the Board are female by 30 June 2021.
2 Improve current female representation at the senior executive position level.	At least 25% of senior executives are female by 30 June 2022.
3 Continue to support female representation in management positions by maintaining and where possible, improve, female representation at a level 20% above the mining industry average.	Number of female managers is at least 20% more than mining industry average for female management representation.
4 Continue to support overall female representation by maintaining and where possible, improve female representation at a level 20% above the mining industry average.	Number of females within the workforce is at least 20% more than mining industry average for overall female representation.

### Gender representation

The proportion of women employed by the Company as at 30 June 2020 and for the previous financial year is listed below.

Level	2020	2019
Board	17%	17%
Senior executive	18%	Nil
Management	20%	23%
Non-management	25%	23%
<b>All employees</b>	<b>24%</b>	<b>23%</b>

As we continue to expand our business internationally, we are committed to integrating our diversity and inclusion strategies to our development projects in Botswana and Montana, USA. The proportion of women employed by our USA and Botswana operations as at 30 June 2020 are listed below.

Level	Sandfire USA	Sandfire Botswana
Management	17%	25%
Non-management	43%	21%
<b>All employees</b>	<b>35%</b>	<b>21%</b>

### Shareholder Communication

Sandfire recognises that shareholders and other stakeholders are entitled to be informed in a timely and readily accessible manner of all major developments affecting the Company. Our Shareholder Communication Policy promotes effective communication with shareholders and other stakeholders and encourages and facilitates participation at Sandfire's general meetings and dealing promptly with the enquiries of shareholders and other stakeholders.



## 2020 CORPORATE GOVERNANCE STATEMENT

The Company recognises that potential investors and other interested stakeholders may wish to obtain information about the Company from time to time. To achieve this, the Company communicates information regularly to shareholders and other stakeholders through a range of forums and publications.

Forums or measures for communicating important aspects of the Company's affairs include: Notice of Annual General Meeting; Annual Report; Sustainability Report; announcements lodged with the ASX; presentations; teleconference and webcast of key presentations which provides an opportunity for investors and other financial market participants to express their views to Sandfire on matters of concern of interest to them; and meeting with key stakeholders.

The Company provides a telephone facility (+61 (8) 6430 3800) and a website inquiry service to assist shareholders with any queries. Information is also communicated to shareholders via periodic mail outs, or by email to shareholders who have provided their e-mail address.

Sandfire encourages shareholder participation at our AGM including through online platforms. Notice of meetings are made available on our website and we provide a direct voting facility to allow shareholders to vote ahead of the meeting without having to attend or appoint a proxy. Shareholders who are not able to attend the AGM have the opportunity to provide questions or comments ahead of the meeting and where appropriate, these questions are answered at the meeting. EY, our external auditor, attends the AGM and is available to answer shareholder questions about the conduct of the audit and the preparation and content of the Auditor's Report.

### Website

One of the Company's key communication tools is its website located at **[www.sandfire.com.au](http://www.sandfire.com.au)**. The website includes details about the Company's purpose and values; biographical information for each of its Directors and senior management; the Company's history; an overview of Sandfire's operations; growth and business development opportunities; corporate governance practices; sustainability practices; and investor information. The website also contains a facility for shareholders to direct inquiries to the Company.

## **SANDFIRE RESOURCES**

Level 2, 10 Kings Park Road, West Perth WA 6005

T: +61 8 6430 3800 F: +61 8 6430 3849 E: [admin@sandfire.com.au](mailto:admin@sandfire.com.au)

[www.sandfire.com.au](http://www.sandfire.com.au)

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Sandfire Resources Limited

ABN / ARBN:

55 105 154 185

Financial year ended:

30 June 2020

Our corporate governance statement<sup>2</sup> for the above period can be found at:<sup>3</sup>

- These pages of our annual report:
- This URL on our website: [www.sandfire.com.au/site/About/corporate-governance](http://www.sandfire.com.au/site/About/corporate-governance)

The Corporate Governance Statement is accurate and up to date as at 30 September 2020 and has been approved by the Board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date: 2 October 2020

Name of Director or Secretary authorising lodgement: Mr Matthew Fitzgerald  
Company Secretary and Chief Financial Officer

<sup>1</sup> Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

<sup>2</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

<sup>3</sup> Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement; ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input checked="" type="checkbox"/> in the Board Charter on the Corporate Governance page of Sandfire's website at <a href="http://www.sandfire.com.au/site/About/corporate-governance">www.sandfire.com.au/site/About/corporate-governance</a> .	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement.	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement.	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement.	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

<sup>4</sup> If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) 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.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement;</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> on the Corporate Governance page of Sandfire's website at <a href="http://www.sandfire.com.au/site/About/corporate-governance">www.sandfire.com.au/site/About/corporate-governance</a>;</p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement;</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement;</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement;</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(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.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement;</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> on the Corporate Governance page of Sandfire's website at <a href="http://www.sandfire.com.au/site/About/corporate-governance">www.sandfire.com.au/site/About/corporate-governance</a>;</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> in the Directors' Report in our Annual and Sustainability Report for the year ended 30 June 2020 that can be found at: <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">www.sandfire.com.au/site/investor/reports/annual-reports</a>.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement; ... and, where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement; ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b> <input checked="" type="checkbox"/> in the Directors' Report in our Annual and Sustainability Report for the year ended 30 June 2020 that can be found at: <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">www.sandfire.com.au/site/investor/reports/annual-reports</a> .	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement.	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement.	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement.	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b> <input checked="" type="checkbox"/> on the Corporate Governance page of Sandfire's website at <a href="http://www.sandfire.com.au/site/About/corporate-governance">www.sandfire.com.au/site/About/corporate-governance</a> .	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement;</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> on the Corporate Governance page of Sandfire's website at <a href="http://www.sandfire.com.au/site/About/corporate-governance">www.sandfire.com.au/site/About/corporate-governance</a>;</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> in the Directors' Report in our Annual and Sustainability Report for the year ended 30 June 2020 that can be found at: <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">www.sandfire.com.au/site/investor/reports/annual-reports</a>.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>



Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement.	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement.	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at <a href="http://www.sandfire.com.au/site/About/company-overview">www.sandfire.com.au/site/About/company-overview</a> and on the Corporate Governance page of Sandfire's website at <a href="http://www.sandfire.com.au/site/About/corporate-governance">www.sandfire.com.au/site/About/corporate-governance</a> .	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement.	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement.	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement.	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement;</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> on the Corporate Governance page of Sandfire's website at <a href="http://www.sandfire.com.au/site/About/corporate-governance">www.sandfire.com.au/site/About/corporate-governance</a>;</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> in the Directors' Report in our Annual and Sustainability Report for the year ended 30 June 2020 that can be found at: <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">www.sandfire.com.au/site/investor/reports/annual-reports</a>.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement;</p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(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 risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... how our internal audit function is structured and what role it performs:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in the Directors' Report in our Annual and Sustainability Report for the year ended 30 June 2020 that can be found at: <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">www.sandfire.com.au/site/investor/reports/annual-reports</a>.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(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.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement;</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> on the Corporate Governance page of Sandfire’s website at <a href="http://www.sandfire.com.au/site/About/corporate-governance">www.sandfire.com.au/site/About/corporate-governance</a>;</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> in the Directors’ Report in our Annual and Sustainability Report for the year ended 30 June 2020 that can be found at: <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">www.sandfire.com.au/site/investor/reports/annual-reports</a>.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> in our Remuneration Report in our Annual and Sustainability Report for year ended 30 June 2020 that can be found at: <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">www.sandfire.com.au/site/investor/reports/annual-reports</a>.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> in our Remuneration Report in our Annual and Sustainability Report for year ended 30 June 2020 that can be found at: <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">www.sandfire.com.au/site/investor/reports/annual-reports</a>.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>