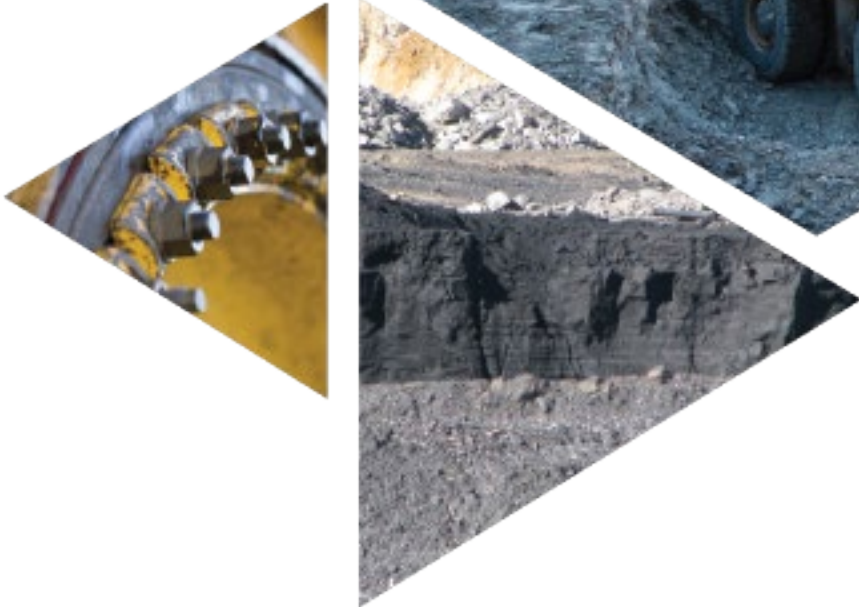


RPMGlobal Holdings Limited

ACN 010 672 321

Corporate Governance Statement

Year Ended 30 June 2020



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Corporate Governance Statement **RPMGLOBAL**

Corporate Governance Statement – Year Ended 30 June 2020

The Board and Management of RPMGlobal Holdings Limited (ASX:RUL) (the 'Company') consider that it is crucial to the Company's long term performance and sustainability and to protect and enhance the interests of the Company's shareholders and other stakeholders, that it adopts an appropriate corporate governance framework pursuant to which the Company and its related companies globally (the 'Group') will conduct its operations in Australia and internationally with integrity, accountability and in a transparent and open manner.

The Company regularly reviews its governance arrangements as well as developments in market practice, expectations, and regulation. This Corporate Governance Statement has been approved by the Board of RPMGlobal Holdings Limited and explains how the Group addresses the requirements of the Corporations Act 2001, the ASX Listing Rules 2001 and the [4th Edition of the ASX Principles and Recommendations](#) (the 'ASX Principles and Recommendations') and is **current as at 30 June 2020**.

The Company's ASX Appendix 4G, is a checklist cross-referencing the ASX Principles and Recommendations to the relevant disclosures in this statement, the Company's 2020 Annual Report and other relevance governance documents and materials on the Company's website, which are provided in the Corporate Governance section of the Company's website at <http://www.rpmglobal.com/about-us/investor-centre/corporate-governance/>. This Corporate Governance Statement together with the ASX Appendix 4G and the Company's 2020 Annual Report, were also lodged with the ASX on **24 August 2020**.

The Board of the Company strives to meet the highest standards of Corporate Governance and also recognises that it is also crucial that the Company's governance framework appropriately reflects the current size, operations and industry in which the Company operates.

The Company has complied with the majority of the recommendations of the ASX Principles and Recommendations. The Board believes the areas of non-conformance, which are explained in this Corporate Governance Statement below and the ASX Appendix 4G, do not materially impact on the Company's ability to achieve the highest standards of Corporate Governance, whilst at the same time ensuring the Company is able to achieve the expectations of its shareholders and other stakeholders.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation 1.1: A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its Board and management; and (b) those matters reserved to the Board and those delegated to Management

Role of the Board

The Board is responsible for the governance of the Group. The role of the Board is to provide overall strategic guidance and effective oversight of Management. The Board derives its authority to act from the Constitution of the Company. The responsibilities of the Board are set out in the Board Charter which can be found on the Company's website [here](#).

The Board Charter was first adopted by the Board on 11 April 2008 and is reviewed periodically to ensure it is operating effectively and in the best interests of the Company. The Board Charter was last reviewed, updated, and approved by the Board on 21 August 2020. As set out in more detail in the Board Charter, the key functions reserved to the Board are to:

- a) demonstrate leadership including through overseeing the business and strategic direction of the Company in order to maximise performance and generate appropriate levels of shareholder return;
- b) define RPM's purpose and setting its strategic objectives;
- c) define, approve, instil and continually reinforce RPM's culture, statement of values and of acting lawfully and then to oversee that on an ongoing basis;
- d) appoint, evaluate and remove the Chairman, the Managing Director, any other Executive Director, the Company Secretary, and where appropriate, Senior Executives;
- e) oversee management in its implementation on of RPM's strategic objectives, instilling RPM's values and performance generally;
- f) approve and monitor annual budgets and approving and monitoring progress of major capital expenditure, capital management, acquisitions and divestments;
- g) oversee the Company, including reviewing, ratifying and monitoring systems of internal controls, accountability and corporate reporting systems and controls, including external audit, risk management, codes of conduct and legal compliance;
- h) approve and monitor financial and other reporting made to shareholders and the ASX under the continuous disclosure regime and ensure such disclosures are made in a timely and balanced manner where a reasonable person would expect that material information to have a material impact on the entity's securities;
- i) ensure that the Company has an appropriate risk management framework in operation (for both financial and non-financial risks) and setting the risk appetite within which the Board expects Management to operate;

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT (CONTINUED)

Recommendation 1.1: A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its Board and management; and (b) those matters reserved to the Board and those delegated to Management (Continued)

- j) satisfy itself that an appropriate framework exists for relevant information to be reported by management to the Board;
- k) wherever required, challenging management and holding it to account;
- l) satisfy itself that the entity's remuneration policies are aligned with the entity's purpose, values, strategic objectives and risk appetite; and
- m) monitor the effectiveness of the Company's governance practices.

The Board delegates specific responsibilities to various Board Committees. For the 2020 Financial Year, the Board utilised the following Committees:

- an Audit and Risk Committee, currently chaired by independent Director Ross Walker, which amongst other things is responsible for overseeing the external and internal auditing functions of the Company's activities; and
- a Human Resources and Remuneration Committee, during FY2020 chaired by Stewart Butel (up to his resignation as a Director on 31 January 2020) and thereafter by Allan Brackin (up to his resignation as a Director on 30 June 2020) and from 1 July 2020 by independent Director Stephen Baldwin, which is responsible for making recommendations to the Board on remuneration packages for executives, senior managers, Non-executive Directors and overseeing the Human Resources policies of the Company.

The duties of the Nominations Committee are currently being carried out by the entire Board and as such separate meetings for the Nominations Committee did not occur during the 2020 Financial Year. The Charter of each of the above listed Committees can be found on the Company's website [here](#). The Charters of each of the above listed Committees were first adopted by the Board on 11 April 2008 and are reviewed periodically to ensure they are operating effectively and in the best interests of the Company. The Charters were last reviewed by the Board on 21 August 2020. Timetables for Board and Committee meetings are agreed by the Board annually in advance.

Delegations to the CEO and the Executive Management Team

The Board may delegate any of the powers and authorities exercisable by the Board to one director by virtue of the Company's Constitution. The Board has delegated certain powers and authorities to the CEO as Managing Director, and in turn to designated management personnel of the Company, to implement the strategic direction set by the Board and to manage the Group's day-to-day operations.

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PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT (CONTINUED)

Recommendation 1.1: A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its Board and management; and (b) those matters reserved to the Board and those delegated to Management (Continued)

This delegation is detailed in the Company's Delegation of Execution, Financial & Negotiation Authority Policy. The Policy:

- defines the delegations of authority for the negotiation, approval and execution of sales and other agreements on behalf of the Company;
- defines the delegations of authority for entering into of financial obligations and authorisation of expenditure on behalf of the Company; and
- provides guidelines on the circumstances and requirements on delegates when exercising those delegations including for sub-delegation.

This Policy is reviewed by the Board on a periodic basis to ensure appropriate levels of control and management of risk are retained by the Board and was last updated on 30 August 2018.

Recommendation 1.2: A listed entity should (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward 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 company director

Appropriate checks are undertaken by the Company's Human Resources department before new appointments are made, including through the use of telephone screening, in person interviews, employment history and character reference checks and criminal history checks for financial related positions.

In terms of material information in the Company's possession regarding the skills, competency and professional experience of the Board, it is worthy of note that the composition of the Board changed during the course of FY2020:

1 July 2019 – 31 January 2020

Director	Status	Professional Experience	Original Appointment date
A Brackin	Company Chairman Independent Director, Non-executive Director Member Audit & Risk Committee, Member HR & Rem Committee	Allan joined the Board in November 2011. He has been involved in the technology industry for over 30 years at both executive and non-executive levels. Allan was formerly Director and Chief Executive Officer of Volante Group Limited from 2000-2004. From 1986 – 2000 Allan cofounded several IT companies which all became part of the Volante Group. Qualifications: Bachelor of Applied Science. Other listed company directorships in last three years: Chairman of GBST Holdings Limited since 2005, Chairman of OptiComm Limited since 2014, Sensera Limited since 2018.	November 2011

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PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT (CONTINUED)

Recommendation 1.2: A listed entity should (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward 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 company director (Continued)

Director	Roles	Professional Experience	Original Appointment date
R Mathews	Managing Director, Chief Executive Officer (CEO) Member – HR and Remuneration Committee	Richard was previously the Non-executive Chairman and Chief Executive Officer of eServGlobal Limited. He has more than 20 years' of management experience in telecommunications, software and investment. He is a founding partner of MHB Holdings Pty Ltd. Richard was formerly CEO of Mincom, Australia's largest enterprise software company. Richard has also held the role of Senior Vice President, International at J D Edwards and Director of TransLink Transport Authority. Richard is a Director on the Telstra Health Pty Ltd Board, was Non-executive Chairman and Director of eServGlobal Ltd between 2009 - 2014 and previously sat on the Board of METS Ignited. Qualifications: Bachelor of Commerce, Bachelor of Science and ACA. Other listed company directorships in last three years: None.	February 2012 (August 2012 in Executive capacity)
R Walker	Independent Director, Non-executive Director, Chairman of Audit & Risk Committee, Member HR & Rem Committee	Ross joined Pitcher Partners Brisbane (previously Johnston Rorke) in 1985, Managing Partner in 1995 – 2008 and again from 2014 – to-date. Predominantly involved in corporate finance, auditing, valuations, capital raisings and mergers and acquisitions for the past 20 years. Qualifications: Bachelor of Commerce and FCA. Other listed company directorships in last three years: Wagners Holding Company Limited since its IPO in December 2017.	March 2007
S Butel	Independent Director, Non-executive Director, Member Audit & Risk Committee, Chairman HR & Rem Committee	Stewart was appointed to the RPMGlobal Holdings Limited Board of Directors on 1 September 2018. Stewart is currently a Non-executive Director of Gladstone Ports Corporation Limited and Chairman of Stanmore Coal Limited and has over 40 years' experience in the Australian resources industry. Stewart was formerly Managing Director of Wesfarmers Resources and its associated boards where he retired in August 2016 following a 16-year tenure with the group having joined Wesfarmers Limited in June 2000. Qualifications: Bachelor of Science, Graduate Diploma in Business Studies Other listed company directorships in last three years: Chairman of Stanmore Coal Limited since 2018 and Director since 2017	September 2018

1 February 2020 – 30 June 2020

Director	Roles	Professional Experience	Original Appointment date
Allan Brackin	Independent Director, Non-executive Director, Company Chairman, Chairman Audit & Risk Committee, Member HR & Rem Committee	As above	As above
R Mathews	Managing Director, Chief Executive Officer (CEO), Member – HR and Remuneration Committee	As above	As above
R Walker	Independent Director, Non-executive Director, Chairman of Audit & Risk Committee, Member HR & Rem Committee	As above	As above

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Corporate Governance Statement **RPMGLOBAL**

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT (CONTINUED)

Recommendation 1.2: A listed entity should (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward 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 company director (Continued)

Effective 1 July 2020, the composition of the Company's Board is as follows:

Director	Roles	Professional Experience	Original Appointment date
R Walker	Interim Chairman Independent Director, Non-executive Director, Chairman of Audit & Risk Committee, Member HR & Rem Committee	As above	As above
R Mathews	Managing Director, Chief Executive Officer (CEO) Member HR & Rem Committee	As above	As above
Stephen Baldwin	Independent Director Non-executive Director Member of Audit & Risk Committee, Chairman of HR & Rem Committee	Non-executive Director. Joined the Board effective 1 July 2020. Stephen is a professional company director and currently sits on the Board of five companies (Axicom, Taumata, Tiaki, Wameja Ltd, Lignor Ltd). Stephen started his career as a chartered accountant with Price Waterhouse (now PwC), working in three different countries over a decade. He then went into funds management, initially with Hambro-Grantham and subsequently with Colonial First State where he rose to become that group's Head of Private Equity. Stephen currently represents one of Australia's larger superannuation funds (UniSuper) as a director on the Boards of three of their private market investments. Qualifications: Bachelor of Commerce (Honours), ACA. Other listed company directorships in last three years: Wameja Ltd (ASX:WJA)	1 July 2020

The Company ensures it provides shareholders with material information in its possession relevant to a decision by the shareholders to re-elect a Director. This information is provided to shareholders annually as part of the agenda and materials for the Company's Annual General Meeting.

Recommendation 1.3: A listed entity should have written agreements with each director and senior executive setting out the terms of their appointment

The Directors are engaged under, and the Company's Senior Executives are employed under, service agreements which set out the terms on which the individuals are appointed including details of their respective duties, responsibilities, rights and remuneration entitlements. These written agreements, amongst other terms, clearly set out the requirement to comply with RPM's corporate policies, including those set out in this Corporate Governance Statement, and continuing obligations to protect confidentiality.

Corporate Governance Statement **RPMGLOBAL**

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT (CONTINUED)

Recommendation 1.4: The Company Secretary is accountable to the Board through the Chair on all matters to do with the proper functioning of the Board

The Company Secretary reports to the Board through the Chairman and all Directors have access to the Company Secretary as required. The Company Secretary's role in respect of matters relating to the proper functioning of the Board includes monitoring and advising the Board and its Committees on governance matters, providing a point of reference and coordination for dealings between the Board and management, monitoring whether Board policy and procedures are being followed, and co-ordination, timely completion and dispatch of Board agenda and briefing materials.

Each director communicates directly with the company secretary (and vice versa). The decision to appoint or remove the Company Secretary is made and approved by the Board.

Recommendation 1.5: The Company (a) has and discloses a policy concerning diversity; (b) has set measurable objectives for achieving gender diversity in the composition of the Board, senior executives and workforce generally and (c) disclose and report against those objectives

In May 2012, the Board adopted a Diversity Policy to describe how the Company is committed to a diverse workforce that recognises and embraces the value that different people can bring to an organisation. The Company promotes a diverse workplace by aiming to ensure that all employees and applicants for employment are fairly considered according to their skills, qualifications and abilities irrespective of their gender, age, ethnicity, cultural background, marital status, sexual orientation and/or religious beliefs.

The Diversity Policy can be found on the Company's website [here](#).

The Diversity Policy is reviewed periodically by the Board to ensure it remains up-to-date and was last reviewed by the Board on 21 August 2020.

The Policy sets out the roles and responsibilities of the Board, the Human Resources and Remuneration Committee, and the Company's employees in relation to workplace diversity. The initiatives which have been adopted by the Company to assist with improving gender diversity are also set out within the Policy.

In accordance with the requirements of the Australian Workplace Gender Equality Act 2012 (Act), the Company lodges annual public reports with the Workplace Gender Equality Agency for the Company's Australian operations.

The latest report lodged by the Company for the 1 April 2019 to 31 March 2020 reporting period can be found on the Company's website [here](#). As detailed in that report, as at 31 March 2020 for the employees detailed in that report, RPM reported 25.1% (54) employees were female and 74.9% (161) were male.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT (CONTINUED)

Recommendation 1.5: The Company (a) has and discloses a policy concerning diversity; (b) has set measurable objectives for achieving gender diversity in the composition of the Board, senior executives and workforce generally and (c) disclose and report against those objectives (Continued)

Subject to an overriding objective that all appointments will be made based on merit, the Company remains committed to achieving a measurable target for diversity and to improving the proportion of women employed across the Group. Accordingly, the Board resolved on 28 August 2017 to set a measurable objective of 25% of total Female employees across the Group by 30 June 2020. During the WGEA reporting period ending 31 March 2020, the company achieved this goal. In the current global climate impacted by COVID-19, the Board has set a goal of maintaining of at least 25% female diversity across RPM.

Moreover, the Company undertakes to assess an individual’s credentials on their merit, with complete objectivity and without bias so that the Company may attract, appoint and retain the best people to work within the company where all persons have equal opportunity

The following table details the proportion of female employees across the Group:

Detail	No.	%
Female Directors on the Board / Chief Executive	0 (of 3)	-
Female Key Management Personnel (KMP)	0 (of 2)	-
Female Other Executives (excl. KMP) at a CEO-1 level within the Company	1 (of 8)	12.5%
Total Female Employees in WGEA Report	54 (of 215)	25.1%

In July 2019, the Board has adopted and implemented an ‘Modern Anti-Slavery Policy’ that reflects the Company’s commitment to maintain and eliminate the risk of Modern Slavery acts from occurring within the organisation. The Policy also outlines the Company’s compliance with the Modern Slavery Act 2018 (Cth) and Modern Slavery Act 2018 (NSW) (the “Acts”). The Acts prohibit any and all conduct that constitutes Modern Slavery, such as but not limited to human trafficking, slavery, servitude, forced labour, debt bondage and forced marriage. The Company acknowledges and understands that serious penalties may be incurred, and reputational damage may be a consequence if it encourages or engages in conduct constituting acts of Modern Slavery.

The Modern Anti-Slavery Policy was first adopted by the Board on 9 July 2019, was last reviewed by the Board on 21 August 2020 and can be found on the Company’s website [here](#).

The Company, its related subsidiaries and group companies are required to adhere to the Acts and in doing so, must prepare and make public a Modern Slavery Statement within six (6) months of the end of each Australian Financial Year.

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Corporate Governance Statement **RPMGLOBAL**

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT (CONTINUED)

Recommendation 1.5: The Company (a) has and discloses a policy concerning diversity; (b) has set measurable objectives for achieving gender diversity in the composition of the Board, senior executives and workforce generally and (c) disclose and report against those objectives (Continued)

Each Modern Slavery Statement will describe:

- the risks of modern slavery practices in the operations and supply chains of the Company;
- the actions taken by the Company to assess and address these risks, including due diligence and remediation processes;
- the methods adopted by the Company to assess the effectiveness of these actions;
- the process of consultation with the Company's subsidiaries in relation to this Policy; and
- any other information that may be relevant.

The Board will review the Policy annually and if necessary, will amend it by way of resolution to ensure the Company remains transparent to the public about their current business practices.

Recommendation 1.6: a listed entity should (a) have and disclose a process for periodically evaluating the performance of the Company's Board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has occurred

It is the responsibility of the Board and its Committees to review their performance (group and individual) annually to ensure that they are operating effectively and in the best interests of the Company.

The Company does not currently have a formal process for evaluating the performance of the Board, its committees or individual directors. In place of a formal review process, the Board conducts an introspective annual discussion of its performance on a collective basis to identify general aspects of its performance that could be improved upon, and such analysis includes the roles played by each Board member. Such reviews therefore encapsulate collective discussion around the performance of individual Board members, their roles on specific projects during the Financial Year, and where relevant, how their role could be modified or suggestions for individual development or performance improvement for the future.

Until such time as the company expands to justify an expansion of Board members, the Board is of the current opinion that such performance evaluation is suitable for the company. An internal review of each Director of the Board and the Company Secretary in accordance with the above process was completed for the 2020 Financial Year.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT (CONTINUED)

Recommendation 1.7: a listed entity should (a) have and disclose a process for periodically evaluating the performance of its Senior Executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has occurred

Finalisation of performance reviews for the Company's Executives for the 2020-21 Financial Year are currently underway. Status of the performance reviews are reported to the HR and Remuneration Committee. Both qualitative and quantitative measures are utilised consistent with KPOs set by the CEO in consultation with the key executives.

PRINCIPLE 2: STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

Recommendation 2.1: The Board should (a) have a Nominations Committee, is chaired by an independent director and (b) disclose the charter, members of the committee, number of times the Committee met; or (b) if does not have a nomination committee the processes deployed to address succession and ensure the Board has an appropriate balance of skills, knowledge, experience, independence and diversity necessary to discharge its duties and responsibilities effectively

The Board is committed to ensuring that its members have a broad range of skills, experience and expertise necessary to maximise performance and ensure appropriate levels of shareholder return. The Board has established a Nominations Committee with the primary objectives to assist the Board to discharge its responsibilities regarding the following areas:

- overseeing the composition of the Board and competencies of Board members;
- providing recommendations of appointment and evaluation of the Managing Director;
- ensuring that appropriate procedures exist to assess the performance levels of the Chairman, Non-executive Directors, Executive Directors; and
- developing succession plans for the Board and overseeing development by management of succession planning for Senior Executives.

The Nominations Committee Charter can be found on the Company's website [here](#). The Charter requires that a majority of members of the Nominations Committee must, as far as possible, be independent Non-executive Directors. The Chairman of the Nominations Committee is an independent Director. The current members of the Nominations Committee are the entire Board, so the Committee is not currently comprised of a majority of independent Directors.

During FY2020, the Nominations Committee of the Board met to assess the recommendation to appoint Stephen Baldwin to fill the casual vacancy created following the resignation of Allan Brackin as a Director on 30 June 2020.

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PRINCIPLE 2: STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

Recommendation 2.1: The Board should (a) have a Nominations Committee, is chaired by an independent director and (b) disclose the charter, members of the committee, number of times the Committee met; or (b) if does not have a nomination committee the processes deployed to address succession and ensure the Board has an appropriate balance of skills, knowledge, experience, independence and diversity necessary to discharge its duties and responsibilities effectively

It was the careful and considered view of the Board exercising its duties pursuant to the Nomination Committee Charter, that Stephen’s skills, experience and knowledge of the RPM business and software industry – assessed objectively in the context of the RPM Board Skills Matrix – will complement the existing Board and his appointment to fill the vacancy arising as a result of Allan’s resignation, would benefit the company and its shareholders.

Recommendation 2.2: The Board should have and disclose a board skills matrix setting out the mix of skills and diversity that the Company has or is seeking to achieve

The skills, experience and length of appointment relevant to each Director are set out in Recommendation 1.2 above. During the 2020 Financial Year the Board updated its Board skills matrix detailing the mix of skills and diversity that the Board aims to achieve in its membership. The current Board members represent individuals that have extensive industry experience as well as professionals that bring to the Board their specific skills in order for the Company to achieve its strategic, operational and compliance objectives.

Each Director’s suitability is determined primarily on the basis of their ability to deliver outcomes in accordance with the Company’s short and longer term objectives to deliver value to shareholders. A summary of the skills and diversity that the Board as set out in the Board Skills Matrix are as follows:

RPMGlobal Board Skills Matrix	
Industry Knowledge	
Mining	
Technology	
Consulting	
International Business	
Geographical Knowledge and/or Experience	
Australia	
ASIA	
Americas	
Africa	
Europe	
Russia/CIS/Middle East	
Specific Technical Knowledge and/or Experience	
Information Technology, Software and Intellectual Property	
Financial Literacy	
Investor Relations	
Capital Management	
Overseeing internal/external audit	
Legal	
Risk Management including overseeing risk management framework	
Marketing	

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PRINCIPLE 2: STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE (CONTINUED)

Recommendation 2.2: The Board should have and disclose a board skills matrix setting out the mix of skills and diversity that the Company has or is seeking to achieve (Continued)

RPMGlobal Board Skills Matrix (Continued)	
Specific Technical Knowledge and/or Experience (continued)	
Marketing	
External Stakeholder Management	
People and Culture	
Strategy Development and Implementation	
Economic, environmental and social sustainability risks	
New / Disruptive Technologies	
Experience with setting and managing executive remuneration frameworks	
Industry Experience - Prior Roles	
Prior Experience working within Technology Company	
Prior Experience with Consulting/Advisory/Engineering Company	
Prior Experience with Mining Services / Mining Supply Related Company	
Prior Experience with Mining Company	
Prior Experience on Boards or Committees of Industry / Governmental / Regulatory / Council Bodies / Panels	
Prior Experience as MD of a listed software and/or services company	
Prior Experience Chairing ASX Listed Company	
Prior Experience Chairing Audit and Risk Committee	
Professional Qualifications	
Bachelor Level (Business, Other Complementary Bachelor Degrees (Engineering, IT, Law etc.))	
MBA	
Other (including Post Graduate GIA/AICD etc).	
Soft Skills / Behavioural	
Leadership	
Setting and implementing Strategic Objectives of a Company	
Setting and implementing Business Transformation and Change	

Recommendation 2.3: The Board should disclose (a) the names of the directors considered to be independent Directors; (b) if a Director has an interest, position or relationship that are relevant to assessing independence of that Director an explanation as to why that does not compromise independence

Details of each Director on the Board both during FY2020 and since 1 July 2020 and factors relevant to their independence have been assessed by the Board as follows:

Director	Independence Assessment	Factors Relevant to Independence	Length of Service
R Walker	Independent Director	<p>The Board has assessed Mr Walker as being an independent Director.</p> <p>The Board has assessed that Mr Walker's current shareholding in the Company (which does not constitute a substantial holding within the meaning of the Corporations Act) does not impact on Mr Walker's independence.</p> <p>The Board has further considered the tenure of the service of Mr Walker and is of the view that Mr Walker's independence from management and substantial holders has not been compromised by his longstanding tenure as a Director of the Company (which is currently just over 13 years).</p>	13 Years (originally appointed March 2007)

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PRINCIPLE 2: STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE (CONTINUED)

Recommendation 2.3: The Board should disclose (a) the names of the directors considered to be independent Directors; (b) if a Director has an interest, position or relationship that are relevant to assessing independence of that Director an explanation as to why that does not compromise independence (Continued)

Director	Independence Assessment	Factors Relevant to Independence	Length of Service
S Baldwin	Independent Director	The Board has assessed Mr Baldwin as being an independent Director. The Board has assessed that Mr Baldwin's current shareholding in the Company (which does not constitute a substantial holding within the meaning of the Corporations Act) does not impact on Mr Walker's independence.	Appointed 1 July 2020
R Mathews	Managing Director (Not Independent)	As the Company's current Chief Executive Officer, Mr Mathews is not able to be an independent Director.	8 Years (originally appointed in February 2012 (August 2012 in Executive capacity)
A Brackin	Independent Director	During FY2020 the Board assessed Mr Brackin as being an Independent Director. The Board has assessed that Mr Brackin's current shareholding in the Company (which does not constitute a substantial holding within the meaning of the Corporations Act) does not impact on Mr Brackin's independence.	8 Years (originally appointed November 2011, resigning from current position as of 30 June 2020)
S Butel	Independent Director	The Board assessed Mr Butel as being an independent Director prior to his resignation on 31 January 2020.	1.5 Years (originally appointed 1 September 2018, resigned from current position as of 31 January 2020)

Recommendation 2.4: A majority of the Board should be independent Directors

The names of the Directors of the Company in office at the date of this report which the Company considers to be independent are set out in Recommendation 2.3 above.

As of 1 July 2020, the Board consists of three (3) Directors, with a majority of two (2) independent Directors.

The Board will consider appointment of another Director with the appropriate skills and experience to add value to the Board when appropriate and required to support the Company's operations.

When determining the independent status of a Director, the Board has considered the factors detailed in Box 2.3 of the ASX Principles and Recommendations and as detailed in Recommendation 2.3 above, the Board has determined, on an individual by individual basis, each of the current Directors designated as independent Directors in Recommendation 2.3 above (Ross Walker, Stephen Baldwin) satisfy all of the above criteria.

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PRINCIPLE 2: STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE (CONTINUED)

Recommendation 2.4: A majority of the Board should be independent Directors (Continued)

Following Mr Baldwin's appointment, the Board presently comprises a majority of independent Directors able to make quality and independent judgements in the best interests of the Company on all relevant issues and the absence of a strict majority of independent Directors is not an impediment to the Company's operations or the interests of its shareholders.

The Non-executive Directors understand the benefits of conferring regularly with and without management present, and do so.

The Board is also committed to ensuring that all Directors, whether independent or not, bring an independent judgment to bear on Board decisions. To facilitate this, the Board has agreed on a procedure for Directors to have access, in appropriate circumstances, to independent professional advice at the Company's expense.

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 Company

The Board appreciates the importance of an independent Chairman. Mr Brackin was assessed to be an independent Director at all times during his tenure as Chairman up until his resignation on 30 June 2020.

As interim Chairman, effective 1 July 2020, the Board has likewise assessed that Mr Walker is independent.

Neither Chairman appointment has at any time acted in the capacity as the CEO of the Company.

Recommendation 2.6: The Company should have an induction program for new Directors and provide opportunities for professional development to maintain the skills and knowledge needed to perform their role as directors effectively.

The Company's Human Resources and legal department completed an induction program for any new Director (this was completed upon Mr Baldwin's appointment and would do so for any future appointments should they occur). During FY2020 detailed software training was provided to the Board on a number of RPM's key software solutions.

The Board continually assesses the need for continued professional development of each independent Director as and when necessary to support the Board and Company's operations. The Board fully supports a strong commitment to ethical and responsible decision making.

Corporate Governance Statement **RPMGLOBAL**

PRINCIPLE 3: INSTIL A CULTURE OF ACTING LAWFULLY ETHICALLY AND RESPONSIBLY

Recommendation 3.1: A listed entity should articulate and disclose its values

RPM's Core Values set out a number of overarching principles of ethical behaviour and, among other things, requires Directors, executives and employees to:

- a) act with high standards of honesty, integrity, fairness, equity and personal integrity;
- b) comply fully with the content and spirit of all laws, legislation and regulations which govern the Company's operations, its business environment and its employment practices;
- c) not directly or indirectly offer, pay, solicit or accept bribes, secret commissions or other similar payments or benefits in the course of conducting business;
- d) not divulge any information about the Company without appropriate authorisation;
- e) not participate in insider trading by using knowledge not generally available to the market to gain unfair advantage in the buying or selling of the Company's securities;
- f) not knowingly participate in any fraudulent, corrupt, illegal or unethical activity;
- g) not enter into any arrangement or participate in any activity that would conflict with the interests of the Company or prejudice the performance of professional duties;
- h) not take advantage of their position or the opportunities arising therefrom for personal gain; and
- i) report any possible improprieties in financial reporting, internal control or other matters covered by the Code.

These values are set out in RPM's Code of Conduct which is provided to all Directors, Officers and employees of the Company (see Recommendation 3.2 below for further information).

Recommendation 3.2: A listed entity should (a) have and disclose a Code of Conduct for its directors, senior executives, and employees and (b) ensure that the Board is informed of any material breaches of that code

The Company has established a Code of Conduct Policy setting out the standards of ethics and conduct to which all Directors, Executives and employees within the Group must adhere whilst conducting their duties.

The Code of Conduct Policy can be found on the Company's website [here](#).

First adopted by the Board on 11 April 2008, it is reviewed periodically to ensure it remains up-to-date and in the best interest of the Company. The Code was reviewed and updated by the Board on 21 August 2020. The Company's Code of Conduct is underpinned by RPM's values as summarised in Recommendation 3.1 above.

The Managing Director in conjunction with the EGM Human Resources ensures that all employees are made aware of all procedures and policies on induction and on an ongoing basis to ensure any necessary reporting steps are undertaken.

PRINCIPLE 3: INSTIL A CULTURE OF ACTING LAWFULLY ETHICALLY AND RESPONSIBLY (CONTINUED)

Recommendation 3.2: A listed entity should (a) have and disclose a Code of Conduct for its directors, senior executives, and employees and (b) ensure that the Board is informed of any material breaches of that code (Continued)

The Company is committed to ensuring that employees may raise concerns regarding illegal conduct or unethical behaviour and will support employees who report violations in good faith. RPM will not act to the detriment of any employee as a consequence of them raising any breach of law, concerns about possible improprieties in financial reporting, internal control or other matters including any violation of the Code. All reports received will be thoroughly investigated and any necessary action taken.

The Company has introduced a standalone Supplier Code of Conduct applicable specifically to suppliers who provide services and goods to RPM. The Policy was first adopted by the Board on 9 July 2019 and was last reviewed by the Board on 21 August 2020. A copy of the policy can be found [here](#).

Recommendation 3.3: A listed entity should (a) have and disclose a Whistleblower policy and (b) ensure that the Board is informed of any material breaches of that policy

The Company has a standalone Whistleblower Policy which can be found on the Company's website [here](#). The Policy was first adopted by the Board on 9 July 2019 and complies with the 4th Edition of the ASX Principles and Recommendations. The Whistleblower Policy aims to:

- a) outline the protections available to Whistleblowers;
- b) outline the method and procedure for reporting serious wrongdoing or unethical conduct;
- c) outline the information about how the Company will support Whistleblowers and protect them from detriment; and
- d) describe how the Company will investigate any reports of serious wrongdoing or unethical conduct.

The Policy aligns with the Company's Core Values detailed in the Code of Conduct in order to ensure that any person who is to report or raise concerns regarding serious wrongdoing or unethical conduct will be treated fairly and without any detriment. The Company recognises that whistleblowing can be a stressful and difficult thing to do and so it strives to have the appropriate mechanisms in place to support and protect those whistleblowing. The Board is responsible for reviewing this Policy annually going forward.

Recommendation 3.4: A listed entity should (a) have and disclose an anti-bribery and corruption policy and (b) ensure that the Board is informed of any material breaches of that policy

The Company recognises the serious civil and criminal penalties that may be incurred and the reputational damage that may be inflicted on the Company if it engages in fraudulent, corrupt or collusive activities, which is why it has implemented a standalone Anti-Bribery and Corruption Policy.

PRINCIPLE 3: INSTIL A CULTURE OF ACTING LAWFULLY ETHICALLY AND RESPONSIBLY (CONTINUED)

Recommendation 3.4: A listed entity should (a) have and disclose an anti-bribery and corruption policy and (b) ensure that the Board is informed of any material breaches of that policy (Continued)

The Policy aligns with the 4th Edition of the ASX Principles and Recommendations. The Anti-Bribery and Corruption Policy can be found on the Company's website [here](#), and it was first adopted by the Board on 9 July 2019. The Policy:

- a) sets out the responsibilities of the Company and its Personnel when encountering or observing conduct involving Bribery or Corruption;
- b) provides information and guidance on how to recognise and deal with conduct involving Bribery or Corruption; and
- c) provides a framework for reporting any actual or suspected conduct of Bribery or Corruption.

The Company's new starter's will undertake training on this Policy as part of their induction process, and all existing Personnel will receive regular updates on this Policy via the Company's intranet.

In this training, all Personnel are encouraged to report any actual or suspected breaches of this Anti-Bribery and Corruption Policy in accordance with the Company's current Whistleblower Policy. The Board is responsible for reviewing this Policy annually going forward.

PRINCIPLE 4: SAFEGUARD INTEGRITY OF CORPORATE REPORTS

Recommendation 4.1: The Board of the listed entity should (a) have an audit committee (i) of at least three members all of whom are non-executive and a majority independent and (ii) is chaired by an independent Director (who is not chair of the Board); and disclose the charter, the relevant qualifications and experience of each member of the committee and the number of times the committee met during the reporting period

The Board has an Audit and Risk Committee. The primary purpose of the Audit and Risk Committee is to assist the Board to discharge its responsibilities with regard to:

- monitoring and reviewing the effectiveness of the control environment in the Group in the areas of operational and balance sheet risk, legal/regulatory compliance and financial reporting; and
- providing an independent and objective review of financial and other information prepared by management, in particular that to be provided to members and/or filed with regulators.

Further, the Audit and Risk Committee leads the review of the performance of the external auditors and sets the procedures for both the selection and appointment of external auditors and the rotation of external audit engagement partners.

PRINCIPLE 4: SAFEGUARD INTEGRITY OF CORPORATE REPORTS (CONTINUED)

Recommendation 4.1: The Board of the listed entity should (a) have an audit committee (i) of at least three members all of whom are non-executive and a majority independent and (ii) is chaired by an independent Director (who is not chair of the Board); and disclose the charter, the relevant qualifications and experience of each member of the committee and the number of times the committee met during the reporting period (Continued)

During the 2020 Financial Year, the Committee consisted of independent Non-executive Directors, with Mr Ross Walker as Chairman with a composition that changed over the course of the year as follows:

1 July 2019 – 31 January 2020

Director	Qualifications	Status
R Walker	Bachelor of Commerce and FCA	Independent Director, Non-executive Director Chairman of Audit and Risk Committee, Member of HR & Rem Committee
A Brackin	Bachelor of Applied Science	Independent Director, Non-executive Director, Company Chairman Member of Audit and Risk Committee, Member of HR & Rem Committee
S Butel	Bachelor of Science, Grad. Dip. Business Studies	Independent Director, Non-executive Director Chairman of HR & Rem Committee, Member of Audit and Risk Committee

1 February 2020 – 30 June 2020

Director	Qualifications	Status
R Walker	Bachelor of Commerce and FCA	Independent Director, Non-executive Director Chairman of Audit and Risk Committee, Member of HR & Rem Committee
A Brackin	Bachelor of Applied Science	Independent Director, Non-executive Director, Company Chairman Member of Audit and Risk Committee, Chairman of HR & Rem Committee

From 1 July 2020, the Committee consists of two (2) independent Non-executive Directors, with Mr Ross Walker as Chairman:

Director	Qualifications	Status
R Walker	Bachelor of Commerce and FCA	Independent Director, Non-executive Director, Interim Company Chairman Chairman of Audit and Risk Committee, Member of HR & Rem Committee
S Baldwin	Bachelor of Commerce (Honours) and ACA	Independent Director, Non-executive Director, Company Chairman Member of Audit and Risk Committee, Chairman of HR & Rem Committee

PRINCIPLE 4: SAFEGUARD INTEGRITY OF CORPORATE REPORTS (CONTINUED)

Recommendation 4.1: The Board of the listed entity should (a) have an audit committee (i) of at least three members all of whom are non-executive and a majority independent and (ii) is chaired by an independent Director (who is not chair of the Board); and disclose the charter, the relevant qualifications and experience of each member of the committee and the number of times the committee met during the reporting period (Continued)

The Committee retains the unrestricted right of access to executive management including the Chief Financial Officer and Group General Counsel and Company Secretary as required. Each Director has an appropriate knowledge of the Company's affairs and has the financial and business expertise to enable the Committee to discharge its mandate effectively. The members of the Committee have direct access to employees, external auditors and financial and legal advisers with and without management present (as required). The Audit and Risk Committee's formal Charter, which complies with the ASX Principles and Recommendations, can be found on the Company's website [here](#).

The Audit and Risk Committee Charter was adopted by the Board on 11 April 2008 and is reviewed periodically to ensure it is operating effectively and in the best interests of the Company. The Charter was last reviewed and updated by the Board on 21 August 2020.

The Audit and Risk Committee meets as often as required. Attendance at Audit and Risk Committee meetings during the 2020 Financial Year was as follows:

	Audit and Risk Committee	
	Attended	Held
R Walker	4	4
A Brackin	4	4
S Butel *	1	1

** Stuart resigned as a Director on 31 January 2020 and attended all meetings that he was eligible to attend.*

The Company Secretary is the secretary of the Committee and was present at all meetings during the Financial Year. The Audit and Risk Committee keeps minutes of its meetings and includes those minutes with the materials for the next full Board Meeting.

Recommendation 4.2: a Board of a listed entity should, before it approves the entity's financial statements, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and 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

The Board has received declarations from the Managing Director and the CFO pursuant to s295A of the Corporations Act which state that the financial statements are founded on sound risk management and internal controls and that the system is operating effectively in all material respects in relation to financial reporting risks.

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PRINCIPLE 4: SAFEGUARD INTEGRITY OF CORPORATE REPORTS (CONTINUED)

Recommendation 4.3: A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor

The Board ensures that its external auditors attend the Company's Annual General Meeting and that appropriate time is allowed for questions from security holders to be made to the auditors at that meeting.

The Company does not publish on its website the procedures for the selection and appointment of external auditors, and for the rotation of external audit engagement partners. The Company has had no need to formalise these procedures at this stage, although it recognises the potential benefits to developing such procedures should the size and/or operations of the Group require that to occur.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 5.1: A listed entity should and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1

The Board supports continuous disclosure consistent with the ASX Principles and Recommendations. The Company's Board approved a Continuous Disclosure Policy and Market Disclosure Guidelines which are designed to ensure that:

- shareholders have equal and timely access to material information concerning the Company; and
- Company announcements are clear, concise, factual and balanced.

A copy of the Continuous Disclosure Policy and Market Disclosure Guidelines can be found on the Company's website [here](#). The Continuous Disclosure Policy and Market Disclosure Guidelines were adopted by the Board on 30 October 2008 and are reviewed periodically to ensure they remain up-to-date and in the best interests of the Company and Shareholders. The Policy was last reviewed and updated by the Board on 21 August 2020.

The Board has overall responsibility for ensuring compliance with the Continuous Disclosure Policy and Market Disclosure Guidelines. The Board has established a Disclosure Committee, currently consisting of the Chairman, the Managing Director and the Company Secretary, to assist the Board in ensuring compliance with the Continuous Disclosure Policy and Market Disclosure Guidelines.

The Disclosure Committee in turn appoints reporting officers, and those officers are required to:

- immediately disclose any material information which may need to be disclosed; and
- ensure awareness of and compliance with the Continuous Disclosure Policy and Market Disclosure Guidelines.

Corporate Governance Statement **RPMGLOBAL**

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE (CONTINUED)

Recommendation 5.2: A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made

The Company Secretary ensures that the Board is provided with all market announcements by email promptly after they are made.

Recommendation 5.3: A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation

RPM releases a copy of the investor presentations contemporaneously with releasing its half year and full year results. Copies of these are also available on the investor section of RPM's website.

PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

Recommendation 6.1: The Company provides information about itself and its governance to investors via its website

The Company operates a dedicated section of its website to investor relations <https://www.rpmglobal.com/investor-centre>. Within the investor section of the Company's website, users can navigate to view:

- the Company's Corporate Governance materials including this statement, the Board and Committee Charters and governance policies;
- current and historical (up to three years) ASX announcements for the Company;
- current and historical annual reports, financial results announcement and presentations and Annual General Meeting materials;
- the names and biographical details for the Company's Board - <https://www.rpmglobal.com/about/our-people>; and
- the names, photographs and biographical details for the Company's Senior Executives - <https://www.rpmglobal.com/about/our-people>

Recommendation 6.2: a listed entity should have an investor relations program that facilitates effective two-way communications with investors

Shareholder communication is conducted in accordance with the Company's [Continuous Disclosure Policy](#) and the Company's [Shareholder Communications Policy](#).

The Company's Shareholder Communication Policy was adopted by the Board on 30 October 2008 and is reviewed periodically to ensure it remains up-to-date and in the best interests of the Company and Shareholders. The Policy was last reviewed on 21 August 2020.

PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS (CONTINUED)

Recommendation 6.3: a listed entity should disclose how it facilitates and encourages participation at meetings of security holders

Shareholders are encouraged to attend and actively participate at General Meetings. The Company's Directors and the Chairmen of all Committees plus senior management will be present at each Annual General Meeting to answer shareholder questions. The Company's auditor is also present at each Annual General Meeting to answer any shareholder questions. Shareholders that are unable to attend meetings are able to exercise their right to ask questions about the Company by submitting those to the Company ahead of time and are able to appoint a proxy to vote on their behalf.

Recommendation 6.4: a listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands

The Board understands and appreciates the intent of this governance requirement and that it is the responsibility of the Chairman of the annual meeting of security holders to ensure the voted result on resolutions reflects the true will of the security holders attending and voting at the meeting whether they attend in person, electronically or through proxy.

The Company has, in recent times, had a relatively low physically attendance at its Annual General Meeting (AGM) however it has a relatively high participation via proxy voting of above 70% of the shares on issue in the last two AGMs.

The Chairman ensures that the voting on the day of the AGM, which to-date has been conducted via a show of hands, is consistent with the voting preferences of the proxies received or in attendance. In this way the Company believes it is currently enabling compliance with the intent behind this rule, even though (to-date) motions have been formally carried on a show of hands.

Recommendation 6.5: a listed entity should give security holders the option to receive Electronic communication from, and send communications to, the entity and its security register electronically

Shareholders are able to interact with the Company electronically through the Company Secretary (email to companysecretary@rpmglobal.com) and are able to elect to receive shareholder communications electronically from the Company's share registry managed by Computershare.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

Recommendation 7.1: the Board of the listed entity should (a) have a committee to oversee risk (i) of at least three members a majority independent and (ii) is chaired by an independent Director; and disclose the charter, the relevant qualifications and experience of each member of the committee and the number of times the committee met during the reporting period

The Board understands the importance of maintaining a sound and practical system of risk oversight and management and internal control.

Ultimate responsibility for risk management rests with the Board, however the Audit and Risk Committee is tasked with responsibility to ensure all areas of risk relevant to the Company are managed appropriately. The

PRINCIPLE 7: RECOGNISE AND MANAGE RISK (CONTINUED)

Recommendation 7.1: the Board of the listed entity should (a) have a committee to oversee risk (i) of at least three members a majority independent and (ii) is chaired by an independent Director; and disclose the charter, the relevant qualifications and experience of each member of the committee and the number of times the committee met during the reporting period (Continued)

Audit and Risk Committee's formal Charter, which complies with the ASX Principles and Recommendations, can be found on the Company's website [here](#).

Details around the members, chair, qualifications and meetings held by the Audit and Risk Committee are disclosed under Recommendation 4.1.

The specific responsibilities of the Audit and Risk Committee relevant to management of risk as set out in the Charter include reviewing and reporting to the Board that:

- the Company's ongoing risk management program effectively identifies all areas of potential risk;
- adequate policies and procedures have been designed and implemented to manage identified risks;
- a regular program of audits is undertaken to test the adequacy of and compliance with prescribed policies; and
- proper remedial action is undertaken to redress areas of weakness.

The Group faces a wide variety of risks due to the nature of its operations and the regions in which it operates including commercial risks, legal risks, compliance risks, health and safety risks (including relating to COVID-19) and financial risks. The Group has a number of policies adopted by the Board that directly or indirectly serve to reduce and/or manage risk. These include, but are not limited to:

- Delegations of Authority policy;
- Workplace Health and Safety policies;
- Code of Conduct policies;
- Travel risk management (including health and safety, security and destination related risks) policies;
- Securities Trading Policy - in respect of trading in Company shares by the Group's Directors, executives and employees. The Policy can be found on the Company's website [here](#). The Company's Securities Trading Policy was adopted by the Board on 30 October 2008 and is reviewed periodically to ensure it remains up-to-date and in the best interests of the Company and Shareholders.

At a management level, risk is managed by the Company's Group General Counsel in conjunction with the Chief Executive Officer. The Board maintains oversight on risk with operational, financial and legal reports provided to the Board at each meeting to highlight and address areas of risk and concern.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK (CONTINUED)

Recommendation 7.2: the Board should (a) review the Company's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the Board; and disclose in relation to each reporting period whether such a review has taken place

Whilst a formal ERM Policy is not currently actively utilised by the Company, the Board and management remain committed to diligent risk management and the Board has agreed to conduct a thorough review of the risk management process employed by management during the 2020 calendar year.

At this time the Board remains of the view that those processes, which are actively managed by the Company's Group General Counsel in conjunction with the Chief Executive Officer and supplemented by regular reporting to the Board at each meeting, are suitable and appropriate to manage risk for the Company in its current size and operations.

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

The Company does not currently have a dedicated internal audit function. The Directors have assessed a need to establish an internal audit function this year and are of the view that sufficient internal control mechanisms currently exist in the Company without the necessity for a dedicated internal audit function.

The responsibility for management of risk and internal controls on a day-to-day basis lies with the Company's Chief Financial Officer and Group General Counsel with regular reporting and oversight by the Chief Executive Officer, the Audit and Risk Committee, the Board and the Company's external auditors. Necessary action is taken to protect the integrity of the Company including by way of design and implementation of internal controls, and to ensure operational efficiencies, mitigation of risks, and safeguard of Company assets.

The Board will continue to assess the appropriateness of these internal functions to meet the Company's internal control and risk management obligations and should the Company's operations require it, will at the appropriate time, consider forming a dedicated internal audit function.

Recommendation 7.4: a listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks

As a global business with operations in thirteen (13) countries, the Board recognises the importance of being aware of how the operations of the business impact on a range of stakeholders including shareholders, employees, customers, suppliers, creditors, consumers, governments and the local communities in which the Company operates and the mechanisms needed to ensure sustainable longevity in the Company's operations.

As a supplier to the mining industry, the Board understands that the Company's operations are subject to wider economic, environmental (including climate change), governmental and social sustainability requirements that are outside of the direct control of the Company, or its Board and management.

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PRINCIPLE 7: RECOGNISE AND MANAGE RISK (CONTINUED)

Recommendation 7.4: a listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks

The Board mitigates these risks by actively monitoring the resources industry, and where necessary adapting the operations of the business to meet the changing requirements of the industry and the economic, environmental and social environment in which it operates and in doing so endeavours to create and preserve value for the Company's stakeholders in the short, medium and long term.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

The Board recognises that remuneration is a key focus for investors and that the Company needs to ensure a balance between attracting high quality personnel and the remuneration and incentives payable by the Company to those personnel and to align remuneration with Company performance.

Recommendation 8.1: the Board of a listed entity should (a) have a remuneration committee (i) of at least three members a majority independent and (ii) is chaired by an independent Director; and disclose the charter, the relevant qualifications and experience of each member of the committee and the number of times the committee met during the reporting period

The Company has established a Human Resources and Remuneration Committee (the 'HR and Remuneration Committee') to assist the Board in establishing appropriate remuneration levels for the Group's employees. The HR and Remuneration Committee, among other things:

- assists the Board in setting remuneration, recruitment, retention, development and termination policies for Senior Executives;
- recommends to the Board remuneration packages for Executive Directors;
- recommends to the Board a remuneration framework for Directors and all employees in the Group; and
- recommends to the Board appropriate superannuation arrangements.

A copy of the HR and Remuneration Committee Charter can be found on the Company's website [here](#).

The HR and Remuneration Charter was adopted by the Board on 30 October 2008 and is reviewed periodically to ensure it is operating effectively and in the best interests of the Company.

The Charter was last reviewed on 21 August 2020.

During the 2020 Financial Year, the Committee consisted of independent Non-executive Directors, with the composition and Chairmanship changing over the course of the year as follows:

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY (CONTINUED)

Recommendation 8.1: the Board of a listed entity should (a) have a remuneration committee (i) of at least three members a majority independent and (ii) is chaired by an independent Director; and disclose the charter, the relevant qualifications and experience of each member of the committee and the number of times the committee met during the reporting period (Continued)

1 July 2019 – 31 January 2020

Director	Qualifications	Status
R Walker	Bachelor of Commerce and FCA	Independent Director, Non-executive Director Chairman of Audit and Risk Committee, Member of HR & Rem Committee
A Brackin	Bachelor of Applied Science	Independent Director, Non-executive Director, Company Chairman Member of Audit and Risk Committee, Member of HR & Rem Committee
S Butel	Bachelor of Science, Grad. Dip. Business Studies	Independent Director, Non-executive Director Chairman of HR & Rem Committee, Member of Audit and Risk Committee

1 February 2020 – 30 June 2020

Director	Qualifications	Status
R Walker	Bachelor of Commerce and FCA	Independent Director, Non-executive Director Chairman of Audit and Risk Committee, Member of HR and Remuneration Committee
A Brackin	Bachelor of Applied Science	Independent Director, Non-executive Director, Company Chairman Member of Audit and Risk Committee, Chairman of HR and Remuneration Committee

From 1 July 2020, the Committee consists of two (2) independent Non-executive Directors, with Mr Stephen Baldwin as Chairman:

Director	Qualifications	Status
R Walker	Bachelor of Commerce and FCA	Independent Director, Non-executive Director, Interim Company Chairman Chairman of Audit and Risk Committee, Member of HR and Remuneration Committee
S Baldwin	Bachelor of Commerce (Honours) and ACA	Independent Director, Non-executive Director, Company Chairman Member of Audit and Risk Committee, Chairman of HR and Remuneration Committee

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY (CONTINUED)

Recommendation 8.1: the Board of a listed entity should (a) have a remuneration committee (i) of at least three members a majority independent and (ii) is chaired by an independent Director; and disclose the charter, the relevant qualifications and experience of each member of the committee and the number of times the committee met during the reporting period (Continued)

The HR and Remuneration Committee meet as often as required. Attendance at HR and Remuneration Committee meetings during the 2020 Financial Year was as follows:

	HR and Remuneration Committee	
	Attended	Held
A Brackin	2	2
R Walker	2	2
R Mathews	2	2
S Butel *	1	1

** Stuart resigned as a Director on 31 January 2020 and attended all meetings that he was eligible to attend.*

The Company Secretary is the secretary of the Committee and was present at all meetings during the Financial Year. The HR and Remuneration Committee maintains minutes of its meetings and includes them with materials for the next full Board Meeting.

Recommendation 8.2: 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

The Company clearly distinguishes the structure of Non-executive Director remuneration from that of Executive Directors and Senior Executives.

Non-executive Directors are paid a set fee as agreed by the Board annually, and do not receive performance-based fees or retirement benefits. The remuneration of Non-executive Directors is not more than the aggregate fixed sum determined by the Company's shareholders in a general meeting.

The remuneration structure for Executive Directors and Senior Executives is balanced between fixed salary and incentive schemes that are designed to align as closely as possible with the Company's short term and long-term objectives.

The Remuneration Report provides a detailed disclosure of Non-executive Directors, Executive Directors and Senior Executives in accordance with reporting obligations.

There is not any scheme for retirement benefits, other than superannuation, for Non-executive Directors.

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PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY (CONTINUED)

Recommendation 8.3: a listed entity which has an equity-based remuneration scheme should (a) have a policy on whether participants are permitted to enter into transactions which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.

The Company currently operates a Long-Term Incentive Employee Share Option scheme which was last approved by shareholders at the Company's Annual General Meeting in October 2019.

The Company operates a Securities Trading Policy (copy [here](#)) and a Margin Loan Policy (copy [here](#)) which are applicable to Senior Executives and employees who are also shareholders in the Company.

As detailed in the Company's Security Trading Policy, Directors, Officers and employees of the Company are not permitted to enter into transactions in products associated with the Company's securities which operate to limit the economic risk of their security holding in the Company (e.g. hedging arrangements). This extends to any hedging arrangements or other such transactions in respect of rights under any equity-based remuneration plan or scheme.