

Corporate Governance Disclosures

The Board of CI Resources Limited ("CIR") ("the Company") and the entities it controls is ("the Group") is responsible for the corporate governance of the Group. The Group is committed to protecting and enhancing shareholder value and adopting best practice governance policies and practices. This Corporate Governance Statement dated 30 June 2022 and approved by the board of directors of CIR ("the Board") on 30 September 2022, outlines the key principles and practices of the Group against the ASX Corporate Governance Principles and Recommendations 4th Edition ("the Recommendations"). CIR's Corporate Governance Statement can also be found in the Corporate Governance section of the Company Profile section on its website at: www.ciresources.com.au

The Board sets out below its "if not why not" report in relation to those matters of corporate governance where the Group's practices depart from the Recommendations.

Principle 1 – Lay Solid Foundations for Management and Oversight

Recommendation	CI Resources Limited's Current Practice
<p>1.1 A listed entity should have and disclose a board charter setting out:</p> <p>a) The respective roles and responsibilities of its board and management; and</p> <p>b) those matters expressly reserved to the board and those delegated to management.</p>	<p>Adopted.</p> <p>The Board has adopted a Board Charter which outlines the role and responsibility of the Board and management and the matters reserved to the Board. The Board determines the strategic direction of the Company by regularly monitoring and evaluating the performance and status of each of the Company's projects and activities.</p> <p>The Board has delegated the day-to-day management of the Group and its business to the Managing Director. The Managing Director is supported in this function by Senior Executives with responsibilities as delegated by the Managing Director.</p> <p>A copy of the Board Charter can be found on the Corporate Governance page on CI Resources website. (www.ciresources.com.au)</p>
<p>1.2 A listed entity should:</p> <p>a) undertake appropriate checks before appointing a director or senior executive or putting forward for election as a director; and</p> <p>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.</p>	<p>Adopted.</p> <p>Material information in relation to a director up for election or re-election is provided in the Notice of Meeting for each AGM including background, other material directorships, term and the Board's consideration of them as independent director, and the Board statement as to whether it supports the election or re-election of the candidate.</p> <p>Thorough checks are made prior to appointing all senior executives.</p>
<p>1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>Adopted.</p> <p>All directors, including non-executive directors, and senior executives of the Company have a written agreement with the Company setting out the terms of their appointments.</p>

Principle 1 – Lay Solid Foundations for Management and Oversight

Recommendation	CI Resources Limited's Current Practice
<p>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.</p>	<p>Adopted.</p> <p>The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.</p>
<p>1.5 A listed entity should:</p> <ul style="list-style-type: none"> a) have and disclose a diversity policy; b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives, and workforce generally; and c) disclose in relation to each reporting period: <ul style="list-style-type: none"> i) the measurable objectives set for that period to achieve gender diversity; ii) the entity's progress towards achieving those objectives; and iii) either: <ul style="list-style-type: none"> 1) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or 2) if 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>Adopted.</p> <p>The Company recognises the value contributed to the Group by employing people with varying skills, cultural backgrounds, ethnicity and experience. The Group believes its diverse workforce is the key to its continued growth, improved productivity, and performance.</p> <p>We actively value and embrace the diversity of our employees and are committed to creating an inclusive workplace where everyone is treated equally and fairly, and where discrimination, harassment and inequity are not tolerated. 69% of the Group's employees are from Chinese and Malay descent.</p> <p>The Board is comprised of six males with a female company secretary. Five senior executives, who report directly to the Managing Director, are male and 21% of the Group's managers are female compared to 19% in the prior year. We have added two female leaders to our management team during year and the Group has 29% female employees.</p> <p>The Board has set diversity objectives, which are detailed in its Sustainability Report which is available, together with the Diversity Policy, on the Corporate Governance page on CI Resources website. (www.ciresources.com.au)</p>
<p>1.6 A listed entity should:</p> <ul style="list-style-type: none"> a) have and disclose a process for periodically evaluating the performance of the Board, its committees, and individual directors; and b) disclose for each reporting period, whether a performance evaluation has been undertaken in accordance with that process or in respect of that period. 	<p>Adopted.</p> <p>The Company has a performance evaluation policy which requires the Group to undertake annual performance review measures for the Board, its committees and individual directors.</p> <p>The most recent review was conducted in November 2021 in accordance with that policy.</p> <p>A copy of the Description of the performance evaluation process for the Board and directors can be found on the Corporate Governance page on CI Resources website. (www.ciresources.com.au)</p>
<p>1.7 A listed entity should:</p> <ul style="list-style-type: none"> 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 had been undertaken in accordance with that process during or in respect of that period. 	<p>Not adopted.</p> <p>Formal performance evaluation of senior executives is conducted annually, but the process has not been disclosed publicly.</p>

Principle 2 – Structure the Board to be Effective and Add Value

Recommendation	CI Resources Limited's Current Practice
<p>2.1 The board of a listed entity should:</p> <p>a) have a nomination committee which:</p> <ul style="list-style-type: none"> i) has at least three members, a majority of whom are independent directors; and ii) is chaired by an independent director; and disclose: iii) the charter of the committee; iv) the members of the committee; and v) 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>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>Adopted.</p> <p>The Company has a Remuneration and Nomination Committee which reviews the board composition annually to ensure it continues to have the right balance of skills, experience, independence and knowledge to discharge its responsibilities.</p> <p>The Committee has three members with two being independent directors until 30 June 2022. Mr Gurgone's status as independent director ceased with his appointment as Executive Director effective 1 July 2022.</p> <p>The Chair of the Committee is an independent director.</p> <p>The Board is satisfied that the current mix of independent and non-independent directors has the appropriate balance of skills, knowledge, experience, independence, and diversity to enable it to discharge its duties and responsibilities effectively.</p> <p>A copy of the Remuneration and Nomination Committee Charter can be found on the Corporate Governance page on CI Resources website. (www.ciresources.com.au)</p> <p>Details of the members of the Committee, the frequency of the meetings and attendees of the meetings of the Committee are provided in the Annual Report.</p>
<p>2.2 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>Adopted.</p> <p>A copy of the skills matrix can be found on the Corporate Governance page on the CI Resources website. (www.ciresources.com.au)</p>
<p>2.3 A listed entity should disclose:</p> <p>a) the names of the directors considered by the board to be independent directors;</p> <p>b) if a director has an interest, position, or relationship of the type as described in Box 2.3 of the Recommendations (Factors relevant to assessing independence) but the board is of the opinion that it does not compromise the independence of the director, nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>c) the length of service of each director.</p>	<p>Adopted.</p> <p>a) David Somerville and Dato' Sri Kamaruddin bin Muhammed are considered by the Board to be independent directors.</p> <p>b) Mr Somerville has been a director for more than 10 years, but the Board is of the opinion that he has maintained sufficient distance from management to be considered independent.</p> <p>Mr Gurgone has in the reporting period been a director of a professional adviser to the Group, but the Board is of the opinion that he has maintained sufficient distance from management to be considered independent until his appointment as an Executive Director on 1 July 2022.</p> <p>c) David Somerville – 14 years Dato' Sri Tee Lip Sin – 13 years Tee Lip Jen – 11 years Adrian Gurgone – 11 years Dato' Sri Kamaruddin bin Muhammed – 10 years Lai Ah Hong – 9 years</p>
<p>2.4 A majority of the Board of a listed entity should be independent directors.</p>	<p>Not adopted.</p> <p>Three members of the six-member Board were considered by the Board to be independent until Mr. Gurgone's status as independent director ceased with his appointment as Executive Director effective 1 July 2022.</p> <p>The Board is satisfied that the current mix of independent and non-independent directors is in the best interests of the Company and ensures that the Group has available the requisite levels of skill and experience for a diversified industrial company operating in a number of jurisdictions.</p>

Principle 2 – Structure the Board to be Effective and Add Value

Recommendation	CI Resources Limited's Current Practice
<p>2.5 The Chair of a 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.</p>	<p>Adopted.</p> <p>David Somerville is the Chairman of the Company and is considered by the Board to be independent. Lai Ah Hong is the Managing Director of the Company.</p>
<p>2.6 A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.</p>	<p>Adopted.</p> <p>The induction of new directors is currently completed by the Company Secretary. All directors have access to professional development opportunities to improve on their skills and knowledge to assist in their roles as directors.</p> <p>A copy of the procedure for the selection and appointment of new directors to the Board can be found on the Corporate Governance page on CI Resources website. (www.ciresources.com.au)</p>

Principle 3 – Instil a Culture of Acting Lawfully, Ethically and Responsibly

Recommendation	CI Resources Limited's Current Practice
<p>3.1 A listed entity should articulate and disclose its values.</p>	<p>Adopted.</p> <p>In the current reporting period, the Company has adopted the following statement of values:</p> <ul style="list-style-type: none"> • Collaboration – We thrive by working together • Integrity – We are honest and respectful • Customer Excellence – Meeting and Exceeding Customer Expectations • Agility – Dynamic and resourceful at every step • Responsibility – Accountable, trusted and safety-orientated • Empowered Community – Committed to sustainable community outcomes <p>A copy of the values of the Company can be found on the Corporate Governance page on CI Resources website. (www.ciresources.com.au)</p>
<p>3.2 A listed entity should:</p> <ol style="list-style-type: none"> a) have and disclose a code of conduct for its directors, senior executives, and employees; and b) ensure that the board or a committee of the board is informed of any material breaches of that code. 	<p>Adopted.</p> <p>The Company has a Code of Conduct, which can be found on the Corporate Governance page on CI Resources website. (www.ciresources.com.au)</p> <p>The Board is informed of any material incidences under the Code of Conduct.</p>
<p>3.3 A listed entity should:</p> <ol style="list-style-type: none"> a) have and disclose a Whistleblower policy; and b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy. 	<p>Adopted.</p> <p>The Company has a Whistleblower Policy, which can be found on the Corporate Governance page on CI Resources website. (www.ciresources.com.au)</p> <p>The Board is informed of any material incidences under the policy.</p>

Principle 3 – Instil a Culture of Acting Lawfully, Ethically and Responsibly

Recommendation

CI Resources Limited's Current Practice

- 3.4 A listed entity should:
- a) have and disclose an anti-bribery and corruption policy; and
 - b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.

Adopted.

The Company has an anti-bribery and corruption policy which can be found on the Corporate Governance page of the CI Resources website. (www.ciresources.com.au)

The Board is informed by management of any material incidences.

Principle 4 – Safeguard Integrity of Corporate Reports

Recommendation

CI Resources Limited's Current Practice

- 4.1 The board of a listed entity should:
- a) have an audit committee which:
 - i) has at least 3 members, all of whom are non-executive directors and a majority of whom are independent directors; and
 - ii) is chaired by an independent director, who is not the chair of the board; and disclose:
 - iii) the charter of the committee
 - iv) the relevant qualifications and experience of the members of the committee; and
 - v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the member at those meetings; or
 - 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.

Adopted.

The Board has established an Audit & Risk Management Committee (ARC). The ARC's primary function is to ensure that an effective internal control framework exists within the Company. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, including the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information.

The ARC is responsible for the appointment of the external auditors of the Company, and will time to time review the scope, performance and fees of those external auditors. The Company has retained Ernst & Young as its auditors. The Ernst & Young partner managing the external audit will attend the 2022 AGM and be available to respond to shareholder's questions relating to external audit.

The Committee has four members, with three independent directors. Mr. Gurgone's status as independent director ceased with his appointment as Executive Director effective 1 July 2022.

The Chair of the Committee until 30 June 2022 was an independent director. The independent Chair of the Board was appointed as the new Chair of the Committee effective from 1 July 2022.

The Board is satisfied that the current mix of independent and non-independent directors has the appropriate balance of skills, knowledge, experience and independence to enable it to verify and safeguard the integrity of its corporate reporting.

The relevant qualifications and experience of the Committee members, the number of times the Committee met in the reporting period and the individual attendances of the members are detailed in the Annual Report.

A copy of the Audit & Risk Management Charter and Information on procedures for the selection and appointment of the external auditor and for the rotation of external audit engagement partners can be found on the CI Resources website. (www.ciresources.com.au)

Principle 4 – Safeguard Integrity of Corporate Reports

Recommendation	CI Resources Limited's Current Practice
<p>4.2 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>Adopted.</p>
<p>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.</p>	<p>Adopted.</p> <p>All periodic corporate reports the Company releases to the market are audited or reviewed by an external auditor.</p>

Principle 5 – Make Timely and Balanced Disclosure

Recommendation	CI Resources Limited's Current Practice
<p>5.1 A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under the listing rule 3.1.</p>	<p>Adopted.</p> <p>The Company has a Continuous Disclosure Policy can be found on the Corporate Governance page on CI Resources website. (www.ciresources.com.au)</p>
<p>5.2 A listed entity should ensure that its board receives a copy of all material market announcements promptly after they have been made.</p>	<p>Adopted.</p>
<p>5.3 A listed entity that gives new substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.</p>	<p>Adopted.</p>

Principle 6 – Respect the Rights of Security Holders

Recommendation	CI Resources Limited's Current Practice
<p>6.1 A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>Adopted.</p> <p>Refer to the Company's Corporate Governance page on its website www.ciresources.com.au</p>
<p>6.2 A listed entity should have an investor relations program to facilitate effective two-way communication with investors.</p>	<p>Adopted.</p> <p>The Group has a positive strategy to communicate with shareholders and actively promote shareholder involvement in the Company. It aims to continue to increase and improve the information available to shareholders on its website.</p>

Principle 6 – Respect the Rights of Security Holders

Recommendation	CI Resources Limited's Current Practice
6.3 A listed entity should disclose that it facilitates and encourages participation at meetings of security holders.	Adopted. The Company encourages participation at General Meetings upon the dispatch of its Notice of Meeting and advises security holders that they may submit questions they would like to be asked at the meeting to the Board and to the Group's auditors.
6.4 A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than a show of hands.	Adopted.
6.5 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Adopted. Regular notifications are issued to shareholders with options to receive communications electronically. This option is also available to existing shareholders upon contacting the share registry.

Principle 7 – Recognise and Manage Risk

Recommendation

CI Resources Limited's Current Practice

<p>7.1 The board of a listed entity should:</p> <p>a) have a committee or committees to oversee risk, each of which:</p> <p>i) has at least three members, a majority of whom are independent directors; and</p> <p>ii) is chaired by an independent director, and disclose:</p> <p>iii) the charter of the committee;</p> <p>iv) the members of the committee; and</p> <p>v) 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>Adopted.</p> <p>Please refer to details of the Audit & Risk Management Committee under Principle 4.</p>
<p>7.2 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 that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>Adopted.</p> <p>The Audit & Risk Management Committee oversees the establishment, implementation and ongoing review of the Company's risk management and internal control system.</p> <p>The Group maintains and reviews annually comprehensive Public Liability and "All Risks" insurance policies for all its business and operational activities.</p> <p>The Group reviews risks on a regular basis and the review has taken place in this reporting period.</p>
<p>7.3 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 governance, risk management and internal control processes.</p>	<p>Adopted.</p> <p>The Audit & Risk Committee is responsible for engaging independent audit consultants to carry out an internal audit program across designated operational functions.</p> <p>Internal controls are reviewed on an annual basis.</p> <p>A copy of the Risk Management Policy for Internal compliance and control system can be found on the Corporate Governance page on CI Resources website. (www.ciresources.com.au)</p>
<p>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.</p>	<p>Adopted.</p> <p>Since 2020, the Group has been publishing an annual Sustainability Report setting out the sustainability performance of the group across environmental and social risks and an annual Modern Slavery Statement which also addresses social risks.</p> <p>Also, the Christmas Island operations are carried in an environmentally sensitive area and accordingly operations are carefully monitored to ensure compliance with approved Environmental Management Plans developed in accordance with legislative requirements.</p>

Principle 8 – Remunerate Fairly and Responsibly

Recommendation	CI Resources Limited's Current Practice
<p>8.1 The board of a listed entity should:</p> <ul style="list-style-type: none"> a) have a remuneration committee which: <ul style="list-style-type: none"> i) has at least three members, a majority of whom are independent directors; and ii) is chaired by an independent director, and disclose: <ul style="list-style-type: none"> iii) the charter of the committee; iv) the members of the committee; and v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive. 	<p>Adopted.</p> <p>Please refer to details of the Remuneration & Nomination Committee (RNC) under Principle 2.</p>
<p>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.</p>	<p>Adopted.</p> <p>This information is contained within the Remuneration Report of the Annual Report. Setting remuneration for executives is set out in the Remuneration Committee Charter.</p>
<p>8.3 A listed entity which has an equity-based remuneration scheme should:</p> <ul style="list-style-type: none"> 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 b) disclose that policy or a summary of it. 	<p>Not applicable.</p>



Photographer: Kirsty Faulkner

