



# Board Charter

## **1. Purpose**

- 1.1 This Board Charter sets out the principles and functions for the operation of the Board of Syrah.
- 1.2 The Board is accountable to Syrah shareholders for the performance and corporate governance of the Group. The primary role of the Board is to provide overall strategic guidance and effective oversight of management.
- 1.3 The purpose of this Charter is to:
  - (a) Promote high standards of corporate governance;
  - (b) Clarify the role and responsibilities of the Board, its sub-committees, the Chairman and management;
  - (c) To enable the Board to provide strategic guidance of the Group and effective management oversight.
- 1.4 This charter is supported by the Company's Code of Conduct and the charters of each of the Board's standing sub-committees.
- 1.5 This Board Charter and the charters adopted by the Board for the committees to be established by the Board have been prepared and adopted to reflect the requirements of the Listing Rules, as well as the ASX Recommendations, to the extent appropriate to the circumstances of the Company.

## **2. Responsibilities of the Board**

- 2.1 The key responsibilities of the Board in fulfilling its role are as set out below.
  - (a) Providing leadership and approving the strategic direction and objectives of the Group and monitoring implementation of the strategic direction and objectives;
  - (b) Overseeing the Group, including its control, accountability and reporting systems for monitoring ethical, legal and financial compliance, including monitoring the conduct of external audits;
  - (c) Overseeing the Group's risk management framework, including setting the risk appetite within which the Board expects management to operate, and periodically reviewing the effectiveness of that framework;
  - (d) Approving and monitoring the progress of operating budgets, major capital expenditure, delegations of authority, acquisitions, divestments, capital management decisions and other corporate transactions, including the issue of securities of the Company;
  - (e) Overseeing and monitoring the implementation of the Company's corporate governance systems and policies;



- (f) Promoting ethical and responsible decision making by the Group, consistent with maintaining the Group's social licence to operate;
- (g) Monitoring the Company's process for making timely and balanced disclosure of all information required to be disclosed in accordance with the Company's Constitution, applicable Listing Rules, the Corporations Act and other applicable laws and regulations.
- (h) Determining the Company's dividend policy, the amount and timing of all dividends and the operation of the Company's dividend re-investment plan (if any);
- (i) Considering appointments to, and the performance and succession of, the Board and the Senior Executives including:
  - a. Appointing and removing the Managing Director;
  - b. approving Senior Executive appointments;
  - c. monitoring and evaluating the performance of individual directors, the Board as a whole, the Managing Director and the Senior Executives;
  - d. reviewing and approving contractual arrangements, remuneration and benefits of the Non-Executive Directors, the Managing Director and the Senior Executives, including the Company's remuneration framework;
  - e. reviewing the size and composition of the Board;
  - f. succession planning for the Board and the Managing Director and overseeing succession planning for the Senior Executives.

### **3. Composition**

#### *Membership*

- 3.1 The Board will be constituted in accordance with the Company's Constitution and the Directors will rotate in accordance with the rules for appointment and retirement under the Company's Constitution and the Corporations Act.
- 3.2 A written agreement is to be entered into with each new Non-Executive Director that sets out the key terms and conditions of their appointment, including the director's initial and ongoing obligation to disclose their interests, positions, associations or relationships and any matters that may affect their independence.
- 3.3 All Directors are expected to utilise their range of relevant skills, knowledge and experience and to apply their independent judgement to all matters discussed at Board meetings.

#### *Independence*

- 3.4 The Board will regularly review the independence of each Non-Executive Director, with "independence" having the meaning given in the ASX Recommendations. Each Director is required to provide the Board with all relevant information to enable it to make this assessment.
- 3.5 It is intended that at any one time the Board will comprise a majority of independent Non-Executive Directors.



- 3.6 In the event that a change in Board composition or a Director's independence results in less than a majority of independent Non-Executive Directors, the Board will take such steps as it considers appropriate to return the Board to majority independence as soon as reasonably practicable in all the circumstances.
- 3.7 If there is a change in a Non-Executive Director's interest, positions, associations or relationships that could bear upon his or her independence, the Non-Executive director should inform the Board at the earliest opportunity.

#### *Chairman*

- 3.8 The Board will appoint the Chairman, who must be an independent Non-Executive Director.
- 3.9 The principal role of the Chairman is to provide leadership to the Board, assist the Board to work effectively and discharge its responsibilities and encourage a culture of openness and debate to foster a high-performing and collegiate team.
- 3.10 The Chairman will chair Board and shareholder meetings, including the Annual General Meeting.
- 3.11 The Chairman represents the Board to the shareholders and other stakeholders and communicates the Board's position.
- 3.12 The Chairman will serve as the primary link between the Board and management.
- 3.13 The Chairman will set the agenda for each Board meeting in consultation with the Managing Director and Company Secretary.

## **4. Delegation of Responsibilities**

#### *Managing Director*

- 4.1 Responsibility for the day to day management and administration of the Group is delegated by the Board to the Managing Director, subject to those matters that the Board has specifically reserved for its decision. However, ultimate responsibility for strategy, governance and control rests with the Directors.
- 4.2 The Board retains the right to change, enhance or revoke the matters reserved for its decision and its delegations of authority at any time.
- 4.3 The Managing Director manages the Group in accordance with the strategy, plans and policies approved by the Board.
- 4.4 The Managing Director's responsibilities include:
- (a) developing and recommending to the Board the strategies, business plans and annual budgets of the Group;
  - (b) implementing the strategies, business plans and budgets adopted by the Board;
  - (c) providing effective leadership, direction and supervision of the Executive Team to achieve the strategies, business plans and budgets adopted by the Board;
  - (d) developing and managing resources, policies and systems to ensure the effective operation of the Group (including policies on risk management, internal controls and human resources);



- (e) managing resources within the budgets approved by the Board;
- (f) ensuring compliance with applicable laws and regulations;
- (g) ensuring the Board is given sufficient information to enable it to perform its functions, approve strategies and monitor performance; and
- (h) acting within the authority delegated by the Board.

4.5 The Managing Director may delegate responsibilities within his or her mandate to the Executive Team, in accordance with any delegations policy approved by the Board, and subject to ongoing supervision of those delegated responsibilities.

#### *Committees*

4.6 Under the Company's Constitution the Board may delegate any of its powers to a Committee of directors consisting of such number of directors as the Board thinks fit.

4.7 The Board has established the following standing committees to assist it in discharging its responsibilities effectively and efficiently:

- (a) Audit Committee;
- (b) Remuneration and Nomination Committee;
- (c) Sustainability and Risk Committee.

4.8 The Board may establish other Committees from time to time to consider other matters of special importance.

4.9 Committees will operate within the terms of their Charters. Unless the Board expressly delegates power to a Committee, Committees will not have decision-making power but will make recommendations to the Board for decision.

4.10 The principles and procedures set out in each Committee's Charter are intended to be flexible and non-exhaustive so that each Committee is able to respond to changing business circumstances, the needs of shareholders and external regulatory developments.

4.11 The Board will set and approve any changes to the Committees' Charters.

4.12 The Board will appoint the members and Chair of each Committee and membership will be reviewed regularly.

4.13 The Company's constitution governs the processes regarding Committee meetings, resolutions and quorums.

#### **5. Procedures**

##### *Conduct of Directors*

5.1 Directors must comply with their legal duties when discharging their responsibilities as directors. By way of summary only, these duties include:

- (a) acting in good faith in the best interests of the Company and for a proper purpose;
- (b) acting with care and diligence;



- (c) avoiding a conflict of interest or duty, and disclosing to the Board and managing conflicts if they arise; and
  - (d) not improperly using the position of director or information gained through the position of director to gain an advantage for themselves or someone else or to the detriment of the Company.
- 5.2 If a director believes that they may have a conflict of interest or duty in relation to a particular matter, the director should immediately consult with the Chairman (or, in the case of the Chairman, the Chairman should immediately consult with the other Non-Executive directors). If conflicts of interest arise they will be managed in accordance with the requirements of the Corporations Act.
- 5.3 Directors are expected to spend the time needed to prepare for Board and Committee meetings, and meet as often as necessary, to properly discharge their responsibilities.
- 5.4 Directors are encouraged to ask questions of, request information from, and raise any issue of concern with, management. Directors are also encouraged, where possible, to ask any questions and raise issues of concern before a meeting so that management is prepared to address them.
- 5.5 Directors must exercise independent judgment when making decisions. The Directors may seek external independent professional advice, at the Company's cost, to the extent that this advice is sought in relation to a decision made by Directors in their capacity as directors of the Company.
- 5.6 Directors must keep Board information, discussions, deliberations, and decisions that are not publicly known, confidential.
- 5.7 Each director is bound by all the Company's charters, policies and codes of conduct, including:
- (a) the Company's Code of Conduct;
  - (b) the Share Trading Policy;
  - (c) the Diversity Policy; and
  - (d) the Continuous Disclosure Policy.

#### *Meetings*

- 5.8 The Company's Constitution governs the regulation of Board meetings and proceedings including the quorum.
- 5.9 Directors are required to be fully prepared for and make every reasonable effort to attend each Board meeting. Directors unable to attend a meeting must advise the Chairman and Company Secretary as soon as practicable.
- 5.10 Meetings may be held by telephone or other electronic means.

#### *Company Secretary*

- 5.11 The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.
- 5.12 All Directors have access to the Company Secretary.



5.13 The Company Secretary advises the Board on governance matters, monitors compliance with Board policy and procedures, coordinates the timely completion and despatch of Board agendas and meeting materials, ensures that the business at Board meetings is accurately captured in the minutes, and provides administrative support to the Chair and the other directors.

5.14 The Decision to appoint or remove the Company Secretary must be made or approved by the Board.

## 6. **Independent advice**

6.1 A director of the Company is entitled to seek independent professional advice (including, but not limited to, legal, accounting and financial advice) at the Company's expense on any matter connected with the discharge of their responsibilities as a director of the Company, in accordance with the procedures and subject to the conditions set out below:

(a) a director must consult with the Chairman in advance and seek the Chairman's prior written approval;

(b) in seeking the prior writing approval of the Chairman, the director must provide the Chairman with details of:

(i) the nature of the independent professional advice;

(ii) the likely cost of seeking the independent professional advice; and

(iii) details of the independent adviser they propose to instruct, including details of that adviser's relevant qualifications;

(c) the Chairman may set a reasonable limit on the amount that the Company will contribute towards the cost of obtaining such advice;

(d) the right to advice does not extend to advice concerning matters of a personal or private nature, including for example, matters relating to the director's contract of employment with the Company (in the case of an executive director) or any dispute between the director and the Company; and

(e) the Chairman may determine that any advice received by an individual director will be circulated to the remainder of the Board.

6.2 All directors are entitled to the benefit of the Company's standard Deed of Access, Insurance and Indemnity which provides ongoing access to Board papers and, at the Company's expense, Directors and Officers insurance for seven years after the director leaves the Board.

## 7. **Confidential information and external communication**

7.1 The Board has established the following principles to apply in respect of information of the Group:

(a) all directors are required to keep confidential all information provided to them in their capacity as a director and must not disclose or improperly use such information;



- (b) generally, the Chairman will speak for the Group, unless the Board has agreed other spokespersons. Individual Board members are expected not to communicate on behalf of the Board or the Group without prior consultation with the Chairman; and
- (c) all disclosures of materially price-sensitive information to any person must be approved and made in accordance with the Company's Continuous Disclosure Policy, the ASX Listing Rules and Corporations Act.

## 8. Training and Review

### Training

- 8.1 New Directors will be provided with a comprehensive induction program.
- 8.2 All Directors will participate in an ongoing program of training and development and each standing committee may adopt and maintain a program of induction, training and development (including site visits if considered necessary).
- 8.3 Directors have the opportunity to undertake courses with the Australian Institute of Company Directors or other professional bodies as required, subject to the approval of the Chairman.

### Review

- 8.4 No less than annually, the Board will review the performance of the Board, the Board's standing committees, each Director and the terms of this Charter.
- 8.5 The results of the review of individual Directors will be taken into account by the Board in determining its assessment of the Directors to stand for re-election at the next Annual General Meeting.

## 9. Publication, Review, Amendments and Inconsistency

- 9.1 This Board Charter will be made available on the Company's website.
- 9.2 The Board is responsible for reviewing the effectiveness of the Board Charter and approving any amendments to it.
- 9.3 To the extent that there is an inconsistency between this Charter, the Company's Constitution, applicable laws or the ASX Listing Rules, they will prevail in the following order:
  - (a) The law;
  - (b) The ASX Listing Rules;
  - (c) The Company's Constitution;
  - (d) This Charter.

## 10. Definitions

In this Policy, capitalised terms have the following meaning:

- (a) **ASX Recommendations** means the 3rd Edition of the ASX Corporate Governance Council's corporate governance principles and recommendations;
- (b) **ASX** means the Australian Securities Exchange;
- (c) **Board** means the Board of Directors of Syrah;



- (d) **Chairman** means the person appointed to hold the office of Chairman of Syrah;
- (e) **Charter** or **Board Charter** means this policy document as amended from time to time;
- (f) **Code of Conduct** means the Syrah document bearing that name, as amended from time to time;
- (g) **Committees** means the committees listed in section 4.7 of this Charter and any other committee established by the Board;
- (h) **Company** or **Syrah** means Syrah Resources Limited (ACN 125 242 284);
- (i) **Company Secretary** means the person appointed to hold the office of Company Secretary of Syrah;
- (j) **Constitution** means the constitution of Syrah;
- (k) **Continuous Disclosure Policy** means the Syrah policy bearing that name, as amended from time to time;
- (l) **Corporation Act** means the *Corporations Act 2001* (Cth);
- (m) **Diversity Policy** means the Syrah policy bearing that name, as amended from time to time;
- (n) **Group** means all Related Bodies Corporate of Syrah and includes, without limitation, Twigg Mining & Exploration Limited, Syrah Resources & Trading DMCC, Syrah Global DMCC, Syrah Technologies LLC;
- (o) **Listing Rules** means the ASX Listing Rules;
- (p) **Managing Director** means the Managing Director and Chief Executive Officer of the Group;
- (q) **Non-Executive Director** means the persons appointed as Directors of Syrah that are not also a member of the Executive Team and **Non-Executive Directors** has a corresponding meaning;
- (r) **Related Bodies Corporate** means related bodies corporate as that term is defined in the Corporations Act;
- (s) **Share Trading Policy** means the Syrah policy bearing that name, as amended from time to time; and
- (t) **Senior Executives** means the Managing Director & CEO, the Chief Financial Officer, the Chief Operating Officer and the Company Secretary.

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