



## **Aeris Resources Limited**

ABN: 30 147 131 977

### **Corporate Governance Statement - 2024**

## OVERVIEW

The Board of Directors of Aeris Resources Limited (**Aeris** or the **Company**) believes that effective corporate governance improves company performance, enhances corporate social responsibility and benefits all stakeholders.

Under its charter, the Aeris Board takes responsibility for setting and monitoring compliance with Aeris' governance framework. This includes setting the policies and controls to establish boundaries on behaviour, decision making and the assurance mechanisms to monitor conformance with the framework.

The Board and its committees periodically review the Company's governance arrangements to ensure they remain in line with developments in recommended corporate governance practice, stakeholder expectations, and regulatory requirements, and continue to support the Company's strategic objectives.

The ASX Corporate Governance Council has published corporate governance principles and recommendations for ASX listed entities (**ASX Recommendations**) which in the Council's view are likely to achieve good governance outcomes and meet the reasonable expectations of most investors. The Aeris Board is committed to implementing high standards of corporate governance which align with Aeris' values and give due consideration to the ASX Recommendations.

ASX Listing Rule 4.10.3 requires listed companies to report annually on the extent to which they have followed the ASX Recommendations and where they have not followed an ASX Recommendation, to state its reasons and what, if any, alternative practices the entity adopted. This Statement outlines Aeris' principal corporate governance practices and the extent to which Aeris followed the 4th edition of the ASX Recommendations during the financial year ended 30 June 2024 (**the reporting period**).

This Statement, and all Charters and Policies referenced in this Statement, are available on the Corporate Governance page of the Company's website at: <https://www.aerisresources.com.au/about/corporate-governance/>

### **Compliance with ASX Recommendations (4<sup>th</sup> Edition)**

The Company followed the ASX Recommendations during the reporting period except for ASX Recommendations 2.1, 2.4, 2.5, 4.1, 7.1 and 8.1. The reasons for non-compliance are set out in the commentary for the respective Recommendations.

**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 expressly reserved to the board and those delegated to management.**

During the period 1 July 2023 to 31 December 2023, the Board consisted of five Directors, three independent Non-Executive Directors (Michele Muscillo, Colin Moorhead, Sylvia Wiggins), one non-independent Non-Executive Director (Robert Millner) and the Executive Chairman and Chief Executive Officer (CEO) (Andre Labuschagne).

On 1 January 2024, the Board reduced to four directors as a result of Ms Sylvia Wiggins' resignation effective 31 December 2023. Due to the reduction of the operational areas of the business, in particular placing the Jaguar Operations on Care and Maintenance during the year ended 30 June 2024, it was the recommendation of the Remuneration and Nomination committee that the position is not replaced. The structure and composition of the Board were deemed appropriate given the business change, and the Board agreed this recommendation.

The Board has adopted a written Board Charter which sets out those matters expressly reserved to the Board and those delegated to management. During the reporting period, the Board reviewed and updated its Board Charter to align with developments in recommended governance practices.

Key responsibilities which the Board has reserved to itself include approval and oversight of Aeris' vision and values, strategy, business plans and budgets, governance framework (including risk appetite) and the appointment and removal of the CEO and executives who report directly to the CEO. Save for the matters reserved to the Board, the Board has delegated day-to-day management of the Company to the CEO, subject to specified limits of authority.

The Board has established three Board committees to assist in discharging its responsibilities:

- the Audit and Risk Committee
- the Remuneration and Nomination Committee
- the Sustainability Committee

Each of the Committees has a written charter setting out the roles and responsibilities of that respective Committee.

**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 director.**

The Company undertakes appropriate checks prior to appointing a Director or putting a person forward for election as a director and the Company provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.

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

All Directors and senior executives reporting to the Executive Chairman have been given formal letters of appointment outlining the key terms and conditions of their appointment. A summary of the key contract terms of the Company's Key Management Persons is set out in the Company's 2024 Annual Report (via the Directors' Report).

**Recommendation 1.4: The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.**

The Board Charter confirms that the Company's Company Secretaries are accountable to the Board through the Board Chairman on all matters to do with the proper functioning of the Board and that a decision to appoint or remove a Company Secretary must be approved by the Board.

The responsibilities of the Company Secretaries include:

- advising the Board and Board committees on corporate governance matters;
- monitoring that Board and Board committee policies and procedures are followed;
- coordinating the timely dispatch of Board and Board committee papers;
- ensuring that the proceedings and resolutions of Board and Board committee meetings are accurately captured in the minutes of such meetings; and
- assisting with the organisation and facilitation of induction and professional development of the Directors.

**Recommendation 1.5: A listed entity should:**

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

The Aeris Board is committed to fostering an inclusive workplace that values and promotes diversity. This commitment is captured within Aeris’ values. In addition, the Company has established and provides training on a Diversity and Inclusiveness Statement which records the Company’s commitment and approach to enhancing diversity and inclusion. Aeris seeks to create a work environment where people are free to achieve their best without encountering prejudice.

In May 2023, the Board set diversity objectives for the Board, senior executives and workforce generally. The objectives, and information on the Company’s progress towards achieving them, are set out in the table below:

Objective	Progress
Maintain no less than 20% representation of each gender on the Board	This objective was met up until 31 December 2023. As a result of Ms Sylvia Wiggins’ resignation effective 31 December 2023, the Company has not met the objective since that date. Please refer to recommendation 1.1 for further context
Year-on-year increase in the percentage of female employees as a proportion of total employees	Female representation increased to 16% from 14% in FY2023.
Continue annual reporting under the Workplace Gender Equality Agency reporting	This objective was met throughout the reporting period. Aeris’ WGEA Reports are accessible here: <a href="https://www.aerisresources.com.au/investor-centre/#corporate-governance">https://www.aerisresources.com.au/investor-centre/#corporate-governance</a>
Undertake gender pay gap analysis and implement corrective actions	Aeris conduct an annual analysis of employee remuneration for comparable roles to identify and address any gender pay disparities, ensuring equitable compensation across the organisation. This process is integrated into the annual remuneration review. Additionally, remuneration decisions are informed by market benchmarks, with explicit guidance to ensure that gender is not a factor in determining pay levels.
Conduct a whole of business employee survey to benchmark Diversity and Inclusive experiences of	In FY23, Aeris undertook a People Survey, audits were undertaken at both our Trtition and Cracow Operations. The Board has not yet formalised the

our workforce, including an audit across our operations and corporate office	Survey program, reporting requirement and frequency.
Update and publish Aeris Diversity Policy Statement	The Company published its updated Diversity and Inclusiveness Statement in March 2022 and the Statement was available on the governance page of the Company's website throughout the reporting period.
Develop and implement workplace discrimination and harassment policy and training	Aeris have implemented a Workplace of Respect Policy to guide employees in addressing and resolving any reported incidents. This policy sets clear expectations for acceptable workplace behaviour, ensuring our people are protected from harassment, discrimination, bullying, workplace violence, and victimisation. It also outlines the responsibilities of both employers and employees in maintaining a positive work environment and provides a framework for reporting and handling incidents related to inappropriate workplace practices. Aeris regularly update this policy to ensure compliance and, most importantly, to maintain a safe working environment for all. Additionally, our Code of Conduct further defines expectations of equity in employment and addresses issues related to discrimination and harassment.
Increase the number of female applicants as a proportion of total candidates in our recruitment process	Aeris continuously assess current barriers, revise job descriptions where appropriate, expand sourcing channels and employer branding to ensure a diverse recruitment process, and regularly measure their progress.

The Company's 2024 Workplace Gender Equality Report (reporting period 1 April 2023 to 31 March 2024) indicates a 2% rise in female workforce participation since the 2023 submission.

Aeris' WGEA Reports are accessible here: <https://www.aerisresources.com.au/investor-centre/#corporate-governance>

Aeris' gender diversity as at 30 June 2024 is set out below, together with a comparison to 30 June 2023:

	Male	Female	% change in the female workforce from FY23
<b>Board</b>	<b>100%</b>	<b>0%</b>	<b>(20%)</b>
<b>Senior executives<sup>1</sup></b>	<b>75%</b>	<b>25%</b>	<b>0%</b>
<b>Group-wide<sup>2</sup></b>	<b>83%</b>	<b>16%</b>	<b>2%</b>

1. Senior executives comprise the Executive Chairman and senior managers who report directly to the Executive Chairman.

2. Approximately 1% of Aeris employees do not identify as male or female.

The Company's Diversity and Inclusiveness Statement is available on the Corporate Governance page of the Company's website.

**Recommendation 1.6: A listed entity should:**

- (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 during or in respect of that period.**

Under its Board Charter, the Aeris Board has committed to having a process for evaluating the performance of the Board, its Committees and individual Directors at least every second year.

The Remuneration and Nomination Committee is responsible for supporting the Board in fulfilling its responsibilities by establishing formal and transparent processes for the review of the performance of individual directors and the Board as a whole.

A Board and Director performance evaluation was undertaken during the FY23 reporting period comprising an online questionnaire. No evaluation was undertaken during the FY24 reporting period.

**Recommendation 1.7: A listed entity should:**

- (a) have and disclose a process for 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 been undertaken in accordance with that process during or in respect of that period.**

The Board sets a range of goals and specific, measurable targets at the start of the performance year for each senior executive, including the Executive Chairman. A performance evaluation of each senior executive was undertaken during the reporting period, with performance assessed against the goals and targets that were set at the start of the reporting period.

**PRINCIPLE 2 – STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE****Recommendation 2.1: The board of a listed entity should:**

- (a) have a nomination committee which:**
  - (1) has at least three members, a majority of whom are independent directors; and**
  - (2) is chaired by an independent director.****and disclose:**
  - (3) the charter of the committee;**
  - (4) the members of the committee; and**
  - (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings.**
- (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.**

On 23 May 2023, the Board reconstituted the Remuneration and Nomination Committees as a single committee and named the committee 'the Remuneration and Nomination Committee'. The members of the Remuneration and Nomination Committee are two independent Aeris Directors - Mr Colin Moorhead (Chairman) and Mr Michele Muscillo.

The composition of the Committee meets the ASX Recommendations in so far as all members of the Committee are independent directors and the Committee Chairman is independent. However, the Committee does not comply to the extent that it has two members, not three.

Information regarding the number of meetings of the Remuneration and Nomination Committee and the attendance at those meetings during the reporting period are provided in the 2024 Annual Report.

**Recommendation 2.2: A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.**

The Board has identified the collective skills, knowledge and experience on the Board using a self-assessment questionnaire in which Directors are asked to rate their level of proficiency in each skill area.

The Board's current assessment of its skills coverage is set out in the Skills Matrix below:

Skill and experience	Description	Strength
Corporate Governance	Knowledge, experience and commitment to the highest standards of governance and experience in overseeing effective governance frameworks.	80%
Financial Expertise	Proficiency in accounting, financial reporting and corporate finance including the ability to assess the quality of internal accounting, financial controls and financial reporting.	60%
Strategy	Experience in defining strategic objectives, constructively challenging business plans and implementing strategy.	95%
Leadership	Director, senior executive or equivalent experience in an organisation of significant size or complexity	100%
Risk Management (including safety)	Experience in identifying and monitoring mitigation strategies for existing and emerging financial and non-financial risks and in monitoring the effectiveness of risk management frameworks and practices.	72.5%
Legal and regulatory	Ability to assess the impact of legal, public and regulatory policy developments on corporations and experience in managing such impacts.	52.5%
Industry	Understanding of and relevant experience (or degree) in mining & natural resources across mining value chain and life-cycle.	77.5%
People and Culture	Experience in overseeing and assessing remuneration and reward frameworks, strategic human resource management and promoting and overseeing a safe, respectful and inclusive workplace culture aligned with corporate values.	72.5%
Technical	Current or former executive role in mining / resources with proven expertise in exploration, development, mine production mineral processing, and distribution of resource products.	65%
Sustainability	Experience in identifying and monitoring environmental and social risks and opportunities, setting and monitoring progress towards sustainability aspirations, knowledge of sustainability reporting standards and ability to assess the quality of sustainability reporting	65%
Capital markets	Extensive experience in the financial services industry such as broking, funds management, superannuation, investment banking.	72.5%
Stakeholder management	Experience in building and maintaining trusted and collaborative relationships with governments, regulators, investors, and/or community partners.	77.5%
Capital projects	Experience with large-scale capital projects requiring long-term investment.	62.5%
Information technology & innovation	Proficiency in overseeing the use and governance of information technology infrastructure, setting, and overseeing the provision of technology services and cyber security.	45%

The Board considers that its current mix of skills and experience is appropriate for the Board to discharge its obligations effectively.

### Recommendation 2.3:

A listed entity should disclose:

- (a) the names of the directors considered by the board to be independent directors;
- (b) if a director has an interest, position, affiliation or relationship of the type described in the 4th Edition of the Corporate Governance Principles and Recommendations, but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, affiliation or relationship in question and an explanation of why the board is of that opinion; and
- (c) the length of service of each director.



The Board has determined that Mr Michele Muscillo (Lead independent Director) and Mr Colin Moorhead are independent Directors.

In determining the independence of Directors, the Board has regard to the independence criteria set out in the ASX Recommendations.

In assessing Mr Michele Muscillo's independence, the Board noted that Mr Muscillo is a partner with HopgoodGanim Lawyers (**HG**) who act as lawyers for the Company. The Board determined that the business relationship between the Company and HG does not interfere with Mr Muscillo's capacity to bring an independent judgment to bear on issues before the Board. The annual billings to the Company do not represent more than 1% of the Company's annual revenue or more than 5% of HG's total annual billings.

The Board has not characterised Mr Robert Millner as independent due to his association with Washington H. Soul Pattinson and Company Limited (**WHSP**), a substantial shareholder in the Company. Mr Millner has relevant interests in substantial shareholdings in WHSP and is the Chairman of WHSP. The Board considers that the interests of WHSP are independent of management and are aligned with those of all shareholders.

The Company has disclosed the length of service of each Board member in its 2024 Annual Report (via the Directors' Report).

**Recommendation 2.4: A majority of the board of a listed entity should be independent directors.**

The independent directors represented a majority from 1 July 2023 to 31 December 2023. As a result of Ms Sylvia Wiggins' resignation as a director effective 31 December 2023, the structure of the Board ceased to comply with ASX Recommendation 2.4. The current Board comprises two independent non-executive directors (Mr Michele Muscillo and Mr Colin Moorhead) and two non-independent directors (Executive Chairman, Mr Andre Labuschagne, and Non-Executive Director Mr Robert Millner).

Due to the reduction of the operational areas of the business during the financial year, it was the recommendation of the committee the position is not replaced. The structure and composition of the Board were deemed appropriate given the business change, and the Board agreed this recommendation.

The Aeris' Constitution states that a resolution of the Board must be passed by a majority of the votes cast by the Directors entitled to vote on the resolution. However, if on any resolution an equal number of votes is cast for and against a resolution, the chairman has a casting vote in addition to any vote cast by the chairman as a Director. With the Board currently having an even number of directors and the Chairman being an executive chairman and in the interest of good governance the Chairman will not utilise the casting vote provided for in the Constitution until further notice.

**Recommendation 2.5: The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.**

The Company does not comply with this recommendation in that Mr Andre Labuschagne was appointed to the role of Managing Director and CEO on 20 December 2012 and subsequently to the role of Executive Chairman on 19 April 2013.

The Board considers that having Mr Andre Labuschagne perform the roles of Chairman and CEO is in the best interests of shareholders in order to utilise the proven leadership qualities and significant experience of Mr Labuschagne. Mr Labuschagne has provided stability and continuity through his detailed understanding of the Company's operations and the markets in which it operates. Mr Labuschagne was instrumental in restructuring the Group's debt between December 2015 and February 2018, and completing the acquisitions of Lion Mining Pty Ltd (Cracow) in July 2020 and the acquisition of Round Oak Minerals Pty Ltd in July 2022.

To ensure the Board' effectiveness in challenging and holding management to account, the Board has appointed Mr Michele Muscillo as the Board's Lead Independent Director. Mr Muscillo assumes the role of Chairman whenever the Executive Chairman is conflicted.

In the role of Senior Independent Director, Mr Muscillo:

- Acts as a conduit for any material issues that Non-Executive Directors may wish to raise with the Executive Chairman or executive management team;
- Makes himself available to shareholders to address any concerns or issues they feel have not been adequately dealt with through the usual channels of communication;
- Meets with the other Non-Executive Directors to review the Executive Chairman's performance ; and



- Attends meetings with major shareholders to obtain a balanced understanding of their issues and concerns.

**Recommendation 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.**

The Remuneration and Nomination Committee is responsible for ensuring that Aeris has in place programmes for the effective induction of new directors and appropriate policies regarding the ongoing training and upskilling of existing directors.

Aeris has established a comprehensive induction programme for new directors that includes business briefings by management and site visits.

The Board encourages Directors to continue their education and maintain the skills required to discharge their duties by providing professional development opportunities. The Company meets all reasonable costs of continuing Director education.

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 if the Director considers it necessary to properly discharge their responsibilities, in accordance with the procedures, and subject to the conditions set out in the Company's Board Charter.

### **PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY**

**Recommendation 3.1: A listed company should articulate and disclose its values.**

The Company's four core values are: Safety, Ethics and Integrity, Performance, and People. These values underpin the Company's operations and all employees of the Company are expected to act in a manner that reflects the Company's values.

The Company's values are disclosed on the Company's website under the People tab (<https://www.aerisresources.com.au/people/our-values/>).

**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 or a committee of the board is informed of any material breaches of that code.**

The Board has adopted a formal Corporate Code of Conduct which articulates the standard of behaviour expected of individuals working for Aeris, including employees and consultants.

All new employees are provided with copies of Aeris' key governance policies (including Aeris' statement of values, Corporate Code of Conduct, Anti-Bribery and Corruption Policy, Disclosure Policy, Diversity and Inclusiveness Statement, Securities Trading Policy and Whistleblower Policy) and are expected to read and familiarise themselves with the Code and policies. The Code and policies are also available on the Company's intranet.

The Board has also established a Directors' Code of Conduct which sets out principles which Aeris Directors should take into account whilst conducting their duties, in addition to the Corporate Code of Conduct.

The Board is informed of any material breaches of the Code of Conduct.

Copies of the Corporate Code of Conduct and the Directors' Code of Conduct are available on the Corporate Governance page of the Company's website (<https://www.aerisresources.com.au/about/corporate-governance>).

**Recommendation 3.3: A listed company should:**

- (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.**

The Company has established a Whistleblower Policy. The Policy establishes an internal reporting system which ensures protections for individuals who report suspected or known misconduct. The Policy seeks to encourage reporting of suspected unethical, illegal or undesirable behaviour and promote a culture of honest and ethical conduct. Aeris has established an independent, third-party whistleblower phoneline to facilitate employees and other stakeholders speaking up regarding any concerns that the Company or its people are failing to meet ethical or legal standards.

The Audit and Risk Committee, on behalf of the Board, must be informed of any material breaches of the Policy.

A copy of the Whistleblower Policy is available on the Corporate Governance page of the Company's website.

**Recommendation 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 breaches of that policy.**

The Company has established an Anti-Bribery and Corruption Policy that applies to all Directors, Officers, employees, and persons who perform services for or on behalf of the Company. The purpose of the Policy is to establish controls to ensure compliance with all applicable anti-corruption laws and regulations, and to ensure that the Company conducts business in a socially responsible manner.

All reported incidents of non-compliance or potential non-compliance are taken seriously, reviewed, and investigated. In the 2024 financial year, there were no reported incidents of corruption.

Company personnel must inform the Board if they are aware or suspect any material breach or potential breach of the Policy.

A copy of the Anti-Bribery and Corruption Policy is available on the Company's website.

**PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS****Recommendation 4.1: The board of a listed entity should:**

- (a) have an audit committee which:**
  - (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and**
  - (2) is chaired by an independent director, who is not the chair of the board,****and disclose:**
  - (3) the charter of the committee;**
  - (4) the relevant qualifications and experience of the members of the committee; and**
  - (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or**
- (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.**

The Company's Audit and Risk Committee comprises two members, both of whom have been assessed by the Board as independent directors - Mr Michele Muscillo (Chairman) and Mr Colin Moorhead. The composition of the Audit and Risk Committee complies with the ASX Recommendations except for the fact that it has two members, not three.

Information on the qualifications and experience of the members of the Audit and Risk Committee and their attendance at Committee meetings during the reporting period can be found in the 2024 Annual Report (via the Directors' Report).

**Recommendation 4.2: The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its chief executive officer and the chief financial officer 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.**

Before the Board approves half year and full year financial reports, the Company's Chief Executive Officer (who is the Executive man) and Chief Financial Officer provide a written statement to the Board in respect of the half or full-year financial period confirming that:

- The Company's financial records have been properly maintained;
- The financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company;
- Their view is founded on a sound system of risk management and internal compliance and control which implements the financial policies adopted by the Board; and
- The Company's risk management and internal compliance and control system is operating effectively in all material respects.

The Board acknowledges that the internal control assurances from the Chief Executive Officer and Chief Financial Officer are not absolute and can only be provided on a reasonable basis after having made due enquiries.

**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.**

Periodic corporate reports for release to the market which are not required to be audited or reviewed by the Company's external auditor, are subject to an internal review and approval process prior to the reports being released to the market. This process involves the reports being prepared and reviewed by relevant subject matter experts, an internal verification and sign-off process, material statements being reviewed for accuracy, and an appropriate approval process involving senior executives and the Executive Chairman, and for subject matter which is within the Board's reserved powers, or of particular significance to the Company, the Board.

## **PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE**

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

The Company takes very seriously its continuous disclosure obligations, as it does all legal obligations. The Board has adopted a formal Disclosure Policy outlining the Company's procedures for ensuring compliance with its continuous disclosure requirements. The Disclosure Policy is based upon the Company's desire to promote fair markets, honest management and full and fair disclosure.

Disclosure matters are generally managed through consultation between the Chief Executive Officer and the Company Secretary and where appropriate, external legal counsel.

The Board considers whether any matters reported or discussed during a Board meeting need to be disclosed to the market pursuant to the Company's continuous disclosure obligations.

The Aeris's Company Secretaries have been nominated as the persons responsible for communications with the ASX.

To address the risk of investors perceiving that Aeris staff might be making financial gains by dealing on the basis of inside information leading up to the release of quarterly, half year and full year reports or an annual general meeting, Aeris prohibits directors and senior management dealing in the Company's securities during these periods. Further information on the dealing restrictions imposed by the Company is available in the Company's Securities Trading Policy.

The Company's Disclosure Policy is available on the Corporate Governance page of the Company's website.

**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 Board receives copies of all material ASX market announcements promptly after release on ASX's market announcements platform.

**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.**

Presentations to general groups, investors or analysts are released to the ASX immediately prior to the making of the presentation. In addition, the Company has established procedures for reviewing whether any price sensitive information has been inadvertently disclosed during a briefing, and if so, for the prompt release of this information to the market.

## **PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS**

**Recommendation 6.1: A listed entity should provide information about itself and its governance to investors via its website.**

The Company provides information about itself, including information on the Directors and senior management team and the Company's operations and governance arrangements, via its website (<https://www.aerisresources.com.au/about/>). The website includes an investor centre where investors can access copies of ASX announcements, reports and presentations and mineral resource and ore reserve statements.

**Recommendation 6.2: A listed entity should have an investor relations program that facilitates effective two-way communication with investors.**

Aeris uses a number of channels to facilitate effective two-way communication with investors. The Company's investor relations program includes investor webinars following the release of quarterly reports which are accessible to all interested individuals. Webinar access details are made available on the ASX market announcements platform. Participants are able to ask questions of the Company during the webinar.

Investors can request to subscribe for email updates from the Company via the 'Contact us' page of the Company's website.

The Board has adopted a Shareholder Communication Guidelines and Policy which is available on the Corporate Governance page of the Company's website.

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

Aeris facilitates and encourages participation at its annual general meeting by offering shareholders the choice of participating either in person or virtually via an online platform.

Shareholders have the opportunity to submit questions and comments to the Company and its external auditor ahead of annual general meetings by way of the question function on the online voting platform. Shareholders are also provided opportunities during annual general meetings to ask questions either in person or via the online meeting facilities.

The Company's external auditor attends each Annual General Meeting and is available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

**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 is committed to ensuring that all substantive resolutions at meetings of shareholders are decided by a poll rather than a show of hands. All resolutions put by the Company at the 2023 annual general meeting were decided by way of a poll.

**Recommendation 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.**

Aeris shareholders have the option to send communications to and receive communications from the Company and its share registry electronically.

The contact email addresses for the Company and its registry are provided in the Investor Centre on the Company's website. The 'Contact us' section of the Company's website also allows interested parties to submit questions or comments to the Company electronically.

The email address for sending communications to the Company is: [investorrelations@aerisresources.com.au](mailto:investorrelations@aerisresources.com.au)

## **PRINCIPLE 7 – RECOGNISE AND MANAGE RISK**

**Recommendation 7.1: The board of a listed entity should:**

- (a) have a committee or committees to oversee risk, each of which:**
  - (1) has at least three members, the majority of whom are independent directors; and**
  - (2) is chaired by an independent director.****and disclose:**
  - (3) the charter of the committee;**
  - (4) the members of the committee; and**
  - (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or**
- (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.**

The Company's Audit and Risk Committee comprises two members both of whom have been assessed by the Board as independent directors - Mr Michele Muscillo (Chairman) and Mr Colin Moorhead. The composition of the Audit and Risk Committee complies with the ASX Recommendations except for the fact that it has two members, not three.

Information regarding the number of meetings of all Board Committees and the attendances at those meetings during the reporting period are provided in the 2024 Annual Report.

**Recommendation 7.2: The board or a committee of the board should:**

- (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the company is operating with due regard to the risk appetite set by the board; and**
- (b) disclose, in relation to each reporting period, whether such a review has taken place.**

The Board's Audit and Risk Committee is responsible for overseeing, reviewing and making recommendations to the Board regarding the Company's risk management framework and the adequacy and effectiveness of the framework. The Committee is also responsible for the development of, and annual review of, the Company's Risk Appetite Statement.

The Company has established and implemented a system for identifying, assessing, monitoring and managing material risks throughout the Group. This system includes internal compliance and control systems, which include the following:

- Aeris' Health, Safety and Environment Management System Framework;
- Aeris' Health, Safety and Environment Management Standards;
- Insurance risk engineers' operational risk reports;
- Insurance risk assessment reports;
- Insurance valuation of plant and equipment reports;
- Aeris' Group Treasury Policy and Procedures;
- Risk Assessment Registers for all mine sites; and
- Board approved policies.

During the reporting period, the Audit and Risk Committee oversaw a broad Group-wide risk assessment by the Company's management team to identify, categorise and risk-weight all key risks. The assessment included a review of the Company's risk registers and risk management framework.

Aeris' Risk Management Policy is available on the Corporate Governance page of the Company's website.

**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 Aeris Board takes responsibility for overseeing and monitoring the Company's assurance mechanisms, which provide the means of monitoring performance and conformance to ensure the governance framework is adequate and functioning effectively. In addition, the Board has charged the Audit and Risk Committee with responsibility for overseeing, reviewing and making recommendations to the Board regarding the adequacy of the Company's internal control environment.

The Executive Chairman and the Chief Financial Officer are responsible for reporting to the Board on a regular basis in relation to whether the Company's material business risks are being managed effectively by way of the Company's risk management and internal control systems.

The Company does not have an internal audit function. Given the Company's current size and nature of its operations, the Board considers it appropriate to engage independent external third parties to undertake internal audit activities as and when required. No external advisors were engaged during the reporting period to undertake internal audit activities.

**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 Company identifies and manages material exposures to environmental and social risks in accordance with its Risk Management Policy and Risk Management Framework. The Board's Sustainability Committee assists the Board with advice and recommendations on the Company's Sustainability Policies and the Company's sustainability and performance framework.

The Company provides information on material exposure to, and management of, environmental and social risks in its annual Sustainability Report, which is available on the Sustainability page on the Company's website.

## **PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY**

**Recommendation 8.1: The board of a listed entity should:**

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

The members of the Company's Remuneration and Nomination Committee are Mr Colin Moorhead (Chairman) and Mr Michele Muscillo. The composition of the Remuneration and Nomination Committee meets the ASX Recommendations in so far as all members are independent directors and the Committee Chairman is independent. However, the composition of the Committee does not comply to the extent that it has two members, not three.



Information regarding the number of meetings of the Remuneration and Nomination Committee and the attendance at those meetings during the reporting period are provided in the 2024 Annual Report.

**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.**

Information on Aeris' policies and practices regarding the remuneration of Non-Executive and Executive Directors and other senior executives is provided in Aeris' 2024 Annual Report (via the Remuneration Report).

Aeris seeks to maintain fair, consistent and equitable remuneration practices in alignment with its values and vision whilst remaining competitive with the market to attract the best candidates. Aeris clearly distinguishes the structure of Non-Executive Directors' remuneration from that of Key Management Personnel.

Non-Executive Directors are remunerated by way of an annual fee of \$100,000, inclusive of statutory superannuation and an additional fee of \$20,000 per annum if they Chairman a Board Committee. Non-Executive Directors are not eligible to participate in the Company's Incentive Plans and there is no scheme for retirement benefits for Non-Executive Directors, other than statutory superannuation.

Aeris has not established any minimum shareholding requirements for its Directors.

Aeris' remuneration philosophy for executives recognises the importance of 'at risk' or variable pay as an integral component of total potential reward. Executive remuneration includes a fixed base salary and subject to any shareholder approvals required, short and long term incentives linked to individual and Company performance. Executive Directors do not receive a separate payment for any Board committee roles.

The Company's long term incentive plan was approved by shareholders at Aeris' 2022 Annual General Meeting.

Under the Company's Equity Plan Rules, where a participant acts fraudulently or dishonestly or has committed a material breach of his or her obligations, the Aeris Board may deal with, or take any other actions, in relation to the participant's awards or relevant resulting shares or the proceeds of a cash settlement under the Plan so as to ensure that no unfair benefit is obtained by the participant as a result of such actions.

**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 (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.**

Aeris' Long Term Incentive Plan Rules prohibit participants from entering into arrangements which hedge or otherwise affect the participant's economic exposure to the equity awards granted to them under the Long Term Incentive Scheme.