

Chrysos Corporation Ltd
ACN 613 131 141
(Company)

CORPORATE GOVERNANCE STATEMENT

The Statement has been approved by the Board and is current as at 29 August 2023.

Corporate Governance Council recommendation		Does the Company comply?	Explanation of compliance / non-compliance
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
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.	Yes	The Company has a Board Charter which sets out the specific responsibilities of the Board, requirements as to the Board's composition, the roles and responsibilities of the Board, its Chairman and Company Secretary, details of the Board's relationship with management and the matters delegated to management. A copy of the Company's Board Charter is available on the Company's website at: https://chrysos.com.au/investor-centre/corporate-governance/
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.	Yes	The Company has undertaken all appropriate checks with the appointment and selection of the Board and senior executive, these checks forms part of the Company's processes before appointing a person or putting forward to security holders a candidate for election, as a Director. All material information relevant to a decision on whether or not to elect or re-elect a Director will be provided to security holders in a Notice of Meeting pursuant to which the resolution to elect or re-elect a Director will be voted on.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	Each director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.
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.	Yes	The Board Charter provides that the Company Secretary is accountable directly to the Board, through the chair.

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1.5	<p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(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</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) 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</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	Yes	<p>The Company has a Diversity Policy that complies with paragraph (b).</p> <p>A copy of the Diversity Policy is available on the Company's website at: https://chrysos.com.au/investor-centre/corporate-governance/</p> <p>In respect of the financial year ended 30 June 2023, the Company did not adopt any measurable objectives in accordance with its Diversity Policy.</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	Yes	<p>The Remuneration and Nomination Committee Charter provides for the Committee to oversee the implementation of policies and systems for evaluation of the performance of the Board, Board committees and directors individually, using both measurable and qualitative indicators.</p> <p>The Nomination and Remuneration Committee will make recommendations to the Board regarding the process for evaluating performance of the Board, its committees and the directors.</p> <p>This process will involve an annual review of Director performance on an individual basis including input from all other Board members.</p> <p>A review has been completed by The Remuneration and Nomination Committee for the period.</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(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.</p>	Yes	<p>The Remuneration and Nomination Committee Charter provides for oversight and evaluation of the CEO's performance each performance period. The CEO is responsible for evaluating the performance of senior executives and is responsible for updating the Remuneration and Nomination Committee of the evaluation.</p> <p>This process was completed for senior executives, for the performance attributable to the year ended 30 June 2023.</p>

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PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE		
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>No</p> <p>The Company has established a Remuneration and Nomination Committee, which has responsibility for nomination matters.</p> <p>The Members of the Committee are:</p> <p>a. Ivan Mellado (Chair) – Non-independent Director</p> <p>b. Kerry Gleeson – Independent Director</p> <p>c. Eric Ford – Independent Director</p> <p>The composition of the committee reflects the skills and knowledge necessary to discharge the duties under the Remuneration and Nomination Committee Charter, with the majority being independent Directors.</p> <p>A copy of the Committee's Charter is available on the Company's website at: https://chrysos.com.au/investor-centre/corporate-governance/</p> <p>The number of times the committee met throughout the period and the individual attendances of the members at those meetings is disclosed in the Director's Report contained in the Company's Annual Report for the reporting period.</p>
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.	<p>Yes</p> <p>The Board updated and revised its skills matrix during FY23. The matrix sets out the range of skills, experience, expertise and competences the Board requires to deal with current and emerging issues of the business.</p>
2.3	<p>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, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position 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>Yes</p> <p>At the date of this report, the Company has 7 directors of which 4 are considered to be independent.</p> <p>Rob Adamson – June 2016</p> <p>Ivan Mellado – December 2016</p> <p>Brett Boynton – Independent - August 2016</p> <p>Eric Ford – Independent – May 2019</p> <p>Kerry Gleeson – Independent – July 2021</p> <p>Dirk Treasure – Executive – February 2022</p> <p>Greg Holt – Independent – June 2023</p>
2.4	A majority of the board of a listed entity should be independent directors.	<p>Yes</p> <p>With the appointment of Mr Holt, the Board now has a majority of independent Directors.</p>

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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.	No	The Chair is not independent, however given Mr Adamson's skills, experience and expertise and level of understanding of the Company and its operations, he remains uniquely placed to act in the role of Chair. When circumstances present that Mr Adamson is conflicted, the Company has nominated Ms Gleeson as Lead Independent Director.
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.	Yes	These programs are accounted for in the Company's Remuneration and Nomination Committee Charter. The Company's Remuneration and Nomination Committee takes carriage of the induction, review and training of new and existing directors.
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	Yes	Chrysos operates under three foundational value pillars: Respect – for everyone with due regard for their feelings, wishes or rights. Empathy – the ability to sense what the client, colleague or other stakeholder needs from you. Integrity – being honest and consistently adhering to strong moral and ethical principles and values.
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.	Yes	The Company has a Code of Conduct which is available on the Company's website at: https://chrysos.com.au/investor-centre/corporate-governance/
3.3	A listed entity 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.	Yes	The Company has a Whistleblower policy which is available on the Company's website https://chrysos.com.au/investor-centre/corporate-governance/
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	Yes	The Company has an Anti-bribery and Corruption policy which is available on the Company's website at: https://chrysos.com.au/investor-centre/corporate-governance/

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PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS		
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>Yes</p> <p>The Company has established an Audit, Finance and Risk Committee, which has responsibility for audit matters.</p> <p>The Members of the Committee are:</p> <p>a. Brett Boynton (Chair) – Independent Director</p> <p>b. Kerry Gleeson – Independent Director</p> <p>c. Ivan Mellado – Non-independent Director</p> <p>d. Rob Adamson – Non-independent Director</p> <p>e. Greg Holt – Independent Director (Appointed June 2023)</p> <p>The composition of the committee reflects the skills and knowledge necessary to discharge the duties under the Audit, Finance and Risk Committee Charter.</p> <p>A copy of the Committee's Charter is available on the Company's website at: https://chrysos.com.au/investor-centre/corporate-governance/</p> <p>The number of times the committee met throughout the period and the individual attendances of the members at those meetings is disclosed in the Director's Report contained in the Company's Annual Report for the reporting period.</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>Yes</p> <p>The Board receives a declaration from the CEO and CFO, prior to seeking approval to sign off on the entity's financial statements that they have been prepared using properly maintained financial records, comply with 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>
4.3	<p>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>Yes</p> <p>The Board process with respect to any unaudited corporate reports released to the market involves a declaration as to its accuracy and integrity from the CEO and CFO, which are to be the subject of a detailed Board paper tabled prior to the authorisation for its release.</p>
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE		
5.1	<p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	<p>Yes</p> <p>The Company has a Disclosure and Communication Policy which is available on the Company's website at: https://chrysos.com.au/investor-centre/corporate-governance/</p>
5.2	<p>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	<p>Yes</p> <p>ASX announcements will be made when the Company's Board or executive management team become aware of information required to be disclosed to the market in accordance with the Listing Rules. Copies of all material market announcements are promptly made available to the Board once they are released.</p>

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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.	Yes	Any new and substantive investor or analyst presentation will be released to the ASX Market Announcements Platform ahead of the presentation.
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes	The Company discloses relevant information concerning its governance on the Company's website at: https://chrysos.com.au/investor-centre/corporate-governance/
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Yes	The Company has a Disclosure and Communication Policy which is available on the Company's website at: https://chrysos.com.au/investor-centre/corporate-governance/
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Yes	The Company has a Disclosure and Communication Policy which is available on the Company's website at: https://chrysos.com.au/investor-centre/corporate-governance/
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.	Yes	The Company's Constitution permits a poll be called at the election of the Chair. All resolutions called for at the 2021 AGM were determined by poll, and to ensure consistency with the Recommendation, the Company will ensure that all future substantive resolutions will continue to be determined by poll
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.	Yes	The Company has a Disclosure and Communication Policy which is available on the Company's website at: https://chrysos.com.au/investor-centre/corporate-governance/ provides for this.

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PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	Yes	<p>The Company has established an Audit, Finance and Risk Committee, which has responsibility for risk matters.</p> <p>The Members of the Committee are:</p> <p>a. Brett Boynton (Chair) – Independent Director</p> <p>b. Kerry Gleeson – Independent Director</p> <p>c. Ivan Mellado – Non-independent Director</p> <p>d. Rob Adamson – Non-independent Director</p> <p>e. Greg Holt – Independent Director (Appointed June 2023)</p> <p>The composition of the committee reflects the skills and knowledge necessary to discharge the duties under the Audit, Finance and Risk Committee Charter.</p> <p>A copy of the Committee's Charter is available on the Company's website at: https://chrysos.com.au/investor-centre/corporate-governance/</p> <p>The number of times the committee met throughout the period and the individual attendances of the members at those meetings is disclosed in the Director's Report contained in the Company's Annual Report for the reporting period.</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and 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>	Yes	<p>The review of the risk management framework is conducted regularly and confirmed in the Director's Report contained in the Company's Annual Report for the reporting period.</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	Yes	<p>Due to the current size of the Company, and taking into account cost/benefit considerations, the Board does not currently consider it necessary to have an internal audit function.</p> <p>The Audit, Finance and Risk Committee Charter requires the Committee to oversee the evaluation and continual improvement of the effectiveness of the Company's risk management and internal control processes. The Committee achieves this objective by closely monitoring these areas and requires management to review and report on risk and internal control areas. The Committee will consider the use of external resources to assist as required.</p>
7.4	<p>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>	Yes	<p>The Company currently does not have any material exposure to environmental or social risk. As and when the Company has any material exposure to environmental or social sustainability risk, it will disclose any such exposure and how it manages or intends to manage those risks</p>

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PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY		
<p>8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	No	<p>The Company has established a Remuneration and Nomination Committee, which has responsibility for remuneration matters.</p> <p>The Members of the Committee are:</p> <p>a. Ivan Mellado (Chair) – Non-independent Director</p> <p>b. Kerry Gleeson – Independent Director</p> <p>c. Eric Ford – Independent Director</p> <p>The composition of the committee reflects the skills and knowledge necessary to discharge the duties under the Remuneration and Nomination Committee Charter, with the majority being independent Directors.</p> <p>A copy of the Committee’s Charter is available on the Company’s website at: https://chrysos.com.au/investor-centre/corporate-governance/</p> <p>The number of times the committee met throughout the period and the individual attendances of the members at those meetings is disclosed in the Director’s Report contained in the Company’s Annual Report for the reporting period.</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>	Yes	<p>The Nomination and Remuneration Committee is responsible for reviewing and making recommendations to the Board regarding the remuneration of executive and non-executive directors and other senior executives. Further information will be provided in the remuneration reports of the Company.</p> <p>The remuneration presently payable to the directors is disclosed in the Prospectus.</p>
<p>8.3 A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	<p>The Company’s long and short term incentive programs can contain an element of remuneration which involves deferred share rights and performance share rights, entitling employees to shares.</p> <p>The Company has a Share Trading Policy which includes a policy prohibiting participants of an equity-based remuneration scheme from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.</p>