

# Appendix 4G

## Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Name of entity

|                                     |
|-------------------------------------|
| <b>STRANDLINE RESOURCES LIMITED</b> |
|-------------------------------------|

ABN/ARBN

|                       |
|-----------------------|
| <b>32 090 603 642</b> |
|-----------------------|

Financial year ended:

|                     |
|---------------------|
| <b>30 JUNE 2023</b> |
|---------------------|

Our corporate governance statement<sup>1</sup> for the period above can be found at:<sup>2</sup>

- These pages of our annual report:
- This URL on our website: <https://strandline.com.au/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 5 September 2023 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.<sup>3</sup>

Date: **5 September 2023**

Name of authorised officer authorising lodgement: **Flavio Lino Garofalo, Company Secretary**

<sup>1</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

<sup>2</sup> Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

<sup>3</sup> Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

| Corporate Governance Council recommendation                             |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:          | Where a box below is ticked, we have <b>NOT</b> followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>                                |
|---|---|---|--|
| <b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b> |   |   |  |
| 1.1   | A listed entity should have and disclose a board charter setting out:<br>(a) the respective roles and responsibilities of its board and management; and<br>(b) those matters expressly reserved to the board and those delegated to management.   | <input checked="" type="checkbox"/><br>and we have disclosed a copy of our board charter at:<br><a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a> | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.2   | A listed entity should:<br>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and<br>(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. | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.3   | A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.   | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 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.   | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |

<sup>4</sup> Tick the box in this column only if you have followed the relevant recommendation **in full** for the **whole** of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate-governance/charters/”).

<sup>5</sup> If you have followed all of the Council’s recommendations **in full** for the **whole** of the period above, you can, if you wish, delete this column from the form and re-format it.

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation  | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:  | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>  |
|--|---|---|
| <p>1.5 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&amp;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> | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of our diversity policy at:<br/><a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a></p>  | <p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| <p>1.6 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>   | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at:<br/><a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a></p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:<br/><a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a></p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |

Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:  | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>  |
|---|---|---|---|
| 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> | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p><a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a></p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p><a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a></p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |

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|--|--|--|---|
| <b>PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE</b> |  |  |   |
| 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><input checked="" type="checkbox"/> We have disclosed a copy of the charter of the committee at: <a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a> and the information referred to in paragraphs (4) and (5) at: <a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a></p>  | <p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 2.2  | <p>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>   | <p><input checked="" type="checkbox"/> and we have disclosed our board skills matrix at: <a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a></p>   | <p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</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><input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors at: <a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a> and, where applicable, the information referred to in paragraph (b) at: <a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a></p> <p>and the length of service of each director in the 2023 Annual Report: <a href="https://strandline.com.au/announcement-category/annual-report/">https://strandline.com.au/announcement-category/annual-report/</a></p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p>   |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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|---|---|--|---|
| 2.4   | A majority of the board of a listed entity should be independent directors.   | <input type="checkbox"/>   | <input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 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.   | <input checked="" type="checkbox"/>  | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable            |
| 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. | <input checked="" type="checkbox"/>  | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable            |
| <b>PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY</b> |   |  |   |
| 3.1   | A listed entity should articulate and disclose its values.  | <input checked="" type="checkbox"/><br>and we have disclosed our values at:<br><a href="https://strandline.com.au/mission-and-values/">https://strandline.com.au/mission-and-values/</a>                                 | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 3.2   | A listed entity should:<br>(a) have and disclose a code of conduct for its directors, senior executives and employees; and<br>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.  | <input checked="" type="checkbox"/><br>and we have disclosed our code of conduct at:<br><a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a>                    | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 3.3   | A listed entity should:<br>(a) have and disclose a whistleblower policy; and<br>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.   | <input checked="" type="checkbox"/><br>and we have disclosed our whistleblower policy at:<br><a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a>               | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 3.4   | A listed entity should:<br>(a) have and disclose an anti-bribery and corruption policy; and<br>(b) ensure that the board or committee of the board is informed of any material breaches of that policy.   | <input checked="" type="checkbox"/><br>and we have disclosed our anti-bribery and corruption policy at:<br><a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a> | <input type="checkbox"/> set out in our Corporate Governance Statement  |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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|---|--|--|---|
| <b>PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS</b> |  |  |   |
| 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,</p> <p>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><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a> and the information referred to in paragraphs (4) and (5) at: <a href="https://strandline.com.au/announcement-category/annual-report/">https://strandline.com.au/announcement-category/annual-report/</a></p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement</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><input checked="" type="checkbox"/></p>   | <p><input type="checkbox"/> set out in our Corporate Governance Statement</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><input checked="" type="checkbox"/></p>   | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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|---|---|---|---|
| <b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>    |   |   |   |
| 5.1   | A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.  | <input checked="" type="checkbox"/><br>and we have disclosed our continuous disclosure compliance policy at:<br><a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a>                                   | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 5.2   | A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.   | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 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. | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| <b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b> |   |   |   |
| 6.1   | A listed entity should provide information about itself and its governance to investors via its website.  | <input checked="" type="checkbox"/><br>and we have disclosed information about us and our governance on our website at:<br><a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a>                        | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 6.2   | A listed entity should have an investor relations program that facilitates effective two-way communication with investors.  | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 6.3   | A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.  | <input checked="" type="checkbox"/><br>and we have disclosed how we facilitate and encourage participation at meetings of security holders at:<br><a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a> | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 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.   | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 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.                                  | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement  |



## Key to Disclosures Corporate Governance Council Principles and Recommendations

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|--|--|--|---|
| <b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b> |  |  |   |
| 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> | <p><input checked="" type="checkbox"/></p> <p>We have disclosed a copy of the charter of the committee at: <a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a> and the information referred to in paragraphs (4) and (5) at: <a href="https://strandline.com.au/announcement-category/annual-report/">https://strandline.com.au/announcement-category/annual-report/</a></p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement</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>  | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: <a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a></p>  | <p><input type="checkbox"/> set out in our Corporate Governance Statement</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>  | <p><input checked="" type="checkbox"/></p> <p>We have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes at: <a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a></p>   | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |

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|---|---|---|--|
| 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. | <input checked="" type="checkbox"/><br>and we have disclosed whether we have any material exposure to environmental and social risks at:<br><a href="https://strandline.com.au/sustainability/">https://strandline.com.au/sustainability/</a> | <input type="checkbox"/> set out in our Corporate Governance Statement   |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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|--|--|--|--|
| <b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b> |  |  |  |
| 8.1  | <p>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> | <p><input checked="" type="checkbox"/></p> <p>We have disclosed a copy of the charter of the committee at: <a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a> and the information referred to in paragraphs (4) and (5) at: <a href="https://strandline.com.au/announcement-category/annual-report/">https://strandline.com.au/announcement-category/annual-report/</a></p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>  |
| 8.2  | <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>  | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: <a href="https://strandline.com.au/corporate-governance/">https://strandline.com.au/corporate-governance/</a></p>   | <p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>  |
| 8.3  | <p>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>   | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed our policy on this issue or a summary of it at: <a href="https://strandline.com.au/announcement-category/annual-report/">https://strandline.com.au/announcement-category/annual-report/</a></p>  | <p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation                                    |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement: | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>  |
|--|---|--|---|
| <b>ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES</b>             |   |  |   |
| 9.1  | A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.                         | <input type="checkbox"/><br>and we have disclosed information about the processes in place at:<br>.....<br>[insert location]   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable  |
| 9.2  | A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.  | <input type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable   |
| 9.3  | A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.   | <input type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable<br><input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable |
| <b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b> |   |  |   |
| -  | <i>Alternative to Recommendation 1.1 for externally managed listed entities:</i><br>The responsible entity of an externally managed listed entity should disclose:<br>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and<br>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements. | <input type="checkbox"/><br>and we have disclosed the information referred to in paragraphs (a) and (b) at:<br>.....<br>[insert location]  | <input type="checkbox"/> set out in our Corporate Governance Statement  |

Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement: | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
|---|---|--|--|
| -   | <p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p> | <p><input type="checkbox"/></p> <p>and we have disclosed the terms governing our remuneration as manager of the entity at:</p> <p>.....</p> <p>[insert location]</p>                                 | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p>  |





# CORPORATE GOVERNANCE STATEMENT 2023

ABN 32 090 603 642



This statement outlines the Corporate Governance Practices adopted by the Board of Directors for the financial year ended 30 June 2023. This statement is current as at 5 September 2023 and has been approved by the Board. This statement explains how Strandline addresses the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations ("ASX Principles or Recommendations").

In addition to the information contained in this statement, the Company's website [www.strandline.com.au](http://www.strandline.com.au) has a dedicated corporate governance section which includes copies of key corporate governance policies adopted by the Company.

Where Strandline's corporate governance practices do not correlate with the ASX Principles and Recommendations, it is because the Board does not consider it practical to implement those recommendations due to the size and stage of development of Strandline's operations and the Board's reasoning for any departure is explained. As the Company's activities develop in size, nature and scope the implementation of additional corporate governance structures will be given further consideration.

## 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.

*Compliance: Yes*

The primary responsibility of the Board is to represent and advance shareholders' interests and to protect the interests of all stakeholders. To fulfill this role the Board is responsible for the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

The responsibilities of the Board include:

- protection and enhancement of shareholder value;
- formulation, review and approval of the objectives and strategic direction of the Company;
- approving all significant business transactions including acquisitions, divestments and capital expenditure;
- monitoring the financial performance of the Company by reviewing and approving budgets and monitoring results;
- ensuring adequate internal control systems and procedures exist and compliance with these systems and procedures is maintained;
- the identification of significant business risks and ensuring such risks are adequately managed;
- the review and performance and remuneration of Executive Directors and key staff;
- the establishment and maintenance of Company values, culture, and appropriate ethical standards; and
- evaluating and, where appropriate, adopting with or without modification, the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

The Board has established functions that are reserved for the Board, as separate from those functions discharged by the Managing Director and senior executives, and they are summarised in the Company's Board Charter which is available on the Company's website <https://strandline.com.au/corporate-governance/>

### 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.

*Compliance: Yes*

The Board oversees arrangements for the effective appointment of new Directors. When considering the appointment of a new Director, the Board may engage the services of an executive recruitment firm to assist identify suitable candidates to be shortlisted for consideration for appointment to the Board and to carry out appropriate reference checks before the Board makes an offer to a preferred candidate.

Newly appointed directors must stand for reappointment at the next subsequent General Meeting. The Notice of Meeting for the AGM provides shareholders with information about each Director standing for election or re-election including details of relevant skills and experience.

**Recommendation 1.3:**

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

*Compliance: Yes*

New Directors consent to act as a director and receive a formal letter of appointment which sets out duties and responsibilities, rights, and remuneration entitlements.

Each Executive is employed under a Service Agreement which sets out the terms on which the Executive is employed including details of the Executive's duties and responsibilities, rights, and remuneration entitlements. The Service Agreement also sets out the circumstances in which the employment of the Executive may be terminated by either the Company or the Executive, including details of the notice periods required to be given by either party, or the amounts payable to the Executive as a consequence of the termination by the Company of the Executive's employment.

**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.

*Compliance: Yes*

Strandline has Joint Company Secretaries which have a direct reporting line and accountable to the Chair of the Board for all company secretarial duties or conduct of the Board.

**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 entity'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 entity has defined "senior executive" for these purposes); or



- (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. 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.

*Compliance: Yes*

The Company’s policy regarding equal employment opportunity and diversity is set out on the Company’s website <https://strandline.com.au/corporate-governance/>

The Company is committed to diversity and recognises the benefits arising from employee and board diversity. The Company’s Equal Employment Opportunity and Diversity Policy does not currently include measurable objectives as the Board believes the Company will not be able to successfully meet these given the size and current small number of employees at the early stage of development. Notwithstanding this, the Company strives to provide the best possible opportunities for current and prospective employees of all backgrounds in such a manner that best adds to overall shareholder value and which reflects the values, principles and spirit of the Company’s Equal Employment Opportunity and Diversity Policy. It is the Board’s intention, as the size and complexity of the Company grows, to set and aim to achieve both gender diversity and other diversity objectives.

During the financial year, Strandline’s in-house workforce has grown significantly, from 60 to 150 and the overall female engagement was 21%. There was one female Board member (17%) and two woman occupying senior executive roles (25%). As the Company continues to grow its in-house operational workforce, a great opportunity exists to further diversify our team. The Board and management are undertaking steps to improve diversity in senior executive roles and on the Board.

**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.

*Compliance: Yes*

The Company’s Board Charter sets out the process to undertake an annual performance evaluation of the Board which includes comparing the performance of the Board with the requirements of its Charter.

For the 2023 financial year the Board undertook a self assessment process on the performance of the Board and individual directors.

**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.

*Compliance: Yes*

The performance of the Company’s Managing Director, CEO and senior executives for the 2023 financial year was reviewed by the Remuneration and Nomination Committee. Performance evaluation is carried out on a continuing formal and informal basis.

## 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:
  - has at least three members, a majority of whom are independent directors; and
  - is chaired by an independent director, and disclose:
    - the charter of the committee;
    - the members of the committee; and
    - 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 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.

*Compliance: Yes*

The Board has established a separate Remuneration and Nomination Committee which has a separate charter which describes its role, composition, functions and responsibilities. The Remuneration and Nomination Committee identifies candidates and to assess their skills in deciding whether an individual has the potential to add value to the Company. External advice may also be used to assist with the identification process.

In selecting and appointing new Directors the Board undertakes a proper assessment of prospective Directors which includes, but is not limited to, their relevant experience and achievements, compatibility with other Board members, credibility within the Company's scope of activities, and intellectual and physical ability to undertake Board duties and responsibilities.

The current Remuneration and Nomination Committee consists of Mr Didier Murcia (Independent Non-Executive Chair), Mr Mark Hancock (Independent Non-Executive Director) and Mr John Hodder (Non-Executive Director). Details of the composition of the Remuneration and Nomination Committee and details of attendance at Remuneration and Nomination Committee meetings are set out in the Company's 2023 Annual Financial 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.

*Compliance: Yes*

The Board has identified that the appropriate mix of skills and diversity required of its members to operate effectively and efficiently is achieved by personnel having substantial skills and experience in a variety of areas. As a collective, the Board has significant competency and experience set relevant to the current and future oversight of the Company's business.

The table shows the skills and experience currently represented on the Board:

|                                    |   |  |
|------------------------------------|---|--|
| Environmental, Social & Governance | ✓ | ASX compliance, approvals, environment, governance & internal control, health & safety, regulatory & government, HSEC                      |
| Legal & Commercial                 | ✓ | Contracts & commercial, legal expertise in Australia & Africa, risk management   |
| Financial & IT                     | ✓ | Accounting, audit & tax, equity capital markets, project financing & debt, treasury funds & management, information systems and technology |

|  |   |  |
|--|---|--|
| Technical                                  | ✓ | Mineral processing experience, exploration, geology, mining engineering & geotechnical engineering, technology |
| Sales & marketing                          | ✓ | Mineral commodity sales & marketing, offtake experience  |
| Stakeholder management & communications    | ✓ | Stakeholder relations, public relations & media, investor relations  |
| Project development                        | ✓ | Engineering & construction, transition to operations, project financing  |
| Industry & international business exposure | ✓ | Mining, including mineral sands, base metals, gold & iron ore in Australia & Africa                            |

The current Board skills matrix is set out below:

- Didier Murcia AM, Independent Non-Executive Chair
  - B.Juris, LL.B
- Luke Graham, Managing Director,
  - A.Dip (Hons) (Elec Eng), MAICD
- Peter Watson, Non-Executive Director,
  - BEng (Hons) (Chem), GAICD, FIEAust, Dip (Acct)
- John Hodder, Non-Executive Director,
  - MSc, B.Sc, B.Com
- Mark Hancock, Independent Non-Executive Director,
  - B.Bus, CA, FFin
- Alexandra Atkins, Independent Non-Executive Director,
  - BE (Mineral Exploration and Mining Geology) Hon BE(Mining) MBA (Finance), FIEAust CPEng EngExec NER APEC Engineer IntPE(Aus) FAusIMM(CP) GAICD
- James Chialo, Alternate Director (Alternate to Alexandra Atkins),
  - B.Com

The skills, experience and expertise of each director is set out in the Directors' Report in the Annual Report.

### 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 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
- (c) the length of service of each director.

*Compliance: Yes*

Strandline considers a Director to be independent where they are free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the entity and its security holders generally.

The Board has adopted a definition of independence based on that set out in Recommendation 2.3 of the ASX Corporate Governance Council Principles and Recommendations. The Board will review the independence of each Director in light of interests disclosed to the Board from time to time. Details of the Board of Directors as at the date of this statement, their appointment date and independence status is as follows:

| Director               | Appointment Date  | Independent Status                     |
|------------------------|-------------------|--|
| Didier Murcia          | 23 October 2014   | Independent Non-Executive Chairman     |
| Mark Hancock           | 11 August 2020    | Independent Non-Executive Director     |
| Alexandra Clare Atkins | 24 May 2021       | Independent Non-Executive Director     |
| Luke Edward Graham     | 19 September 2016 | Non-Independent Managing Director      |
| Peter Richard Watson   | 10 September 2018 | Non-Independent Non-Executive Director |
| John Russell Hodder    | 8 June 2016       | Non-Independent Non-Executive Director |

The Board has determined that Mr Murcia, Mr Hancock, and Ms Atkins are considered to be independent as they are not members of management and there is no relationship affecting that status. They are not substantial shareholders, past or present employees within the past three years, professional advisers, consultants, suppliers or customers with or to the Company, nor do they have any contractual relationship with the Company other than as a Director.

The Board has determined that Mr Graham (Managing Director) and Mr Peter Watson (Non-Executive Director) are not considered to be independent. Mr Watson transitioned from Executive Director to Non-Executive Director from 1 July 2021.

Mr Hodder is the nominated representative of Ndovu Capital VII B.V. (Ndovu). Ndovu is the Company's largest shareholder holding 16.1% of the issued capital. In accordance with Recommendation 2.3, the Board is of the view that Mr Hodder is not an independent director as he is the representative of a substantial shareholder as defined in the Corporations Act 2001.

#### **Recommendation 2.4:**

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

*Compliance: No*

Following the resignation of Mr Eadie on 1 July 2022, the composition is currently three Independent Non-Executive Directors, two Non-Independent Non-Executive Directors and one Non-Independent Managing Director.

It is the Board's intention to add another Independent Non-Executive Director role during the current financial year to align again with Recommendation 2.4.

#### **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.*

*Compliance: Yes*

The role of the Chair is undertaken by Mr Didier Murcia, an Independent Non-Executive Director. The role of the Managing Director is undertaken by Mr Luke Graham.

#### **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.*

*Compliance: Yes*

The Company has established a Remuneration and Nomination Committee which is responsible for conducting new Director inductions. Directors are assisted by fellow directors and senior management to maintain and develop their

skills and knowledge in relation to corporate governance policies and the business sectors in which the company operates in.

All directors have direct access to the entire senior management team, including the Company Secretary, and are provided with information on a timely basis. The skills and knowledge of non-executive directors is also developed and maintained by their directorships with other public and private companies.

### **Principle 3: Instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly**

#### **Recommendation 3.1:**

A listed entity should articulate and disclose its values.

*Compliance: Yes*

The Company's core values (being Integrity, Excellence, Respect, Courage and Trust) are guiding principles that define internal conduct and relationships with the external operating environment. Strandline's core values are detailed on the Company's website at [www.strandline.com.au](http://www.strandline.com.au)

#### **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.

*Compliance: Yes*

The Company has established a formal Code of Conduct to guide the Directors, the Managing Director and employees with respect to the practices necessary to maintain confidence in the Company's integrity, the practices necessary to take into account legal obligations and reasonable expectations of stakeholders, and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices. The Code of Conduct is disclosed on the Company's website <https://strandline.com.au/corporate-governance/>

#### **Recommendation 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.

*Compliance: Yes*

The Company has also established a Whistleblower Policy which is disclosed on the Company's website <https://strandline.com.au/corporate-governance/>

The Policy is aligned to Strandline's value of Integrity and the belief in speaking out against something that is wrong. The Policy affirms the Company's responsibility and commitment to full compliance with applicable laws and regulations.

#### **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.

*Compliance: Yes*

The Company has established an Anti-Bribery Policy which is disclosed on the Company's website <https://strandline.com.au/corporate-governance/>. Aligned to Strandline's value of Integrity, and in accordance with the Company's Code of Conduct, this Policy affirms the Company's responsibility and commitment to full compliance with applicable anti-bribery or anti-corruption laws and the provision of assistance to the relevant authorities to detect and prevent criminal activity.

#### **Principle 4: Safeguard integrity in corporate reporting**

##### **Recommendation 4.1:**

The board of a listed entity should:

- (a) have an audit committee which:
  - has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and
  - is chaired by an independent director, who is not the chair of the board,
  - and disclose:
    - the charter of the committee;
    - the relevant qualifications and experience of the members of the committee; and
    - 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.

*Compliance: Yes*

The Board has an Audit & Risk Committee. The current committee members consist of Mr Hancock (Chair), Ms Atkins and Mr Hodder. The composition of the Committee meets the requirement of Recommendation 4.1 to consist of at least three members. The Audit and Risk Committee provides the Board with additional assurance regarding the reliability of the financial information included in the financial reports and the independence of the Company's Auditor.

The Committee members, their qualifications and the number of meetings the Audit and Risk Committee they attended throughout the year can be found in the Annual Report. The Committee meets on a regular basis and discusses matters normally captured under the terms of reference of an audit committee, being company risk, controls and general and specific financial matters.

##### **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 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.

*Compliance: Yes*

Both the Managing Director and the Chief Financial Officer make a statement to the Board prior to approval of the annual and half-yearly accounts, and also in regards to the quarterly Appendix 5B report, that in their opinion the financial records of the Company 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 Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.



**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.

*Compliance: Yes*

The Company has a process whereby periodic corporate reports are subject to review by the Audit and Risk Committee prior to release to the market. In addition, the Company has an effective system of internal control and multiple review and approval stages which it applies to public documents that are not reviewed or audited by its external auditor.

The external auditor attends Strandline's Annual General Meeting. Shareholders are given a reasonable opportunity at the meeting to ask the auditor questions relevant to the conduct of the audit, the Independent Audit Report, the accounting policies adopted by Strandline and the independence of the auditor.

**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.

*Compliance: Yes*

The Company has a Continuous Disclosure Policy designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance.

The Company's Continuous Disclosure Policy is publicly available on the Company's website <https://strandline.com.au/corporate-governance/>

**Recommendation 5.2:**

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

*Compliance: Yes*

The Board receives notification of all announcements immediately upon release to the market.

**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.

*Compliance: Yes*

The Company releases copies of its presentation materials via the market announcements platform ahead of presentations.

**Principle 6: Respect the rights of shareholders**

**Recommendation 6.1:**

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

*Compliance: Yes*

Strandline's website at [www.strandline.com.au](http://www.strandline.com.au) provides detailed information on the Company, including its background, objectives, projects, contact details and all key corporate policies and statements. ASX announcements, Company Reports and presentations are uploaded to the website following release to the ASX.

**Recommendation 6.2:**

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

*Compliance: Yes*

The Company respects the rights of its shareholders and stakeholders and seeks to facilitate the effective exercise of those rights by promoting effective proactive communication and encouraging shareholder participation at annual general meetings. Shareholder feedback through our website and third-party sites provide the opportunity to address questions to the company.

Appropriate measures are also taken to keep shareholders informed about the Company's activities and to listen to issues or concerns raised by shareholders. The Company has established a Shareholder Communications Policy which is available on Strandline's website at <https://strandline.com.au/corporate-governance/>

Fundamental to Strandline's investor relations program is the management of its continuous disclosure obligations which facilitates all shareholders having access to important company information. In addition to lodging this information with the ASX, Strandline uses its website to make available to shareholders information about the company and its activities. Shareholders can also register with the Company to receive e-mail notifications of when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is posted.

The Company's annual general meeting (AGM) provides an opportunity for Strandline to give information to its shareholders and a reasonable opportunity for informed shareholder participation. At the AGM, shareholders will have a reasonable opportunity to express their views to the Board and management and to vote on the Board's proposals. All shareholders are encouraged to attend the AGM.

**Recommendation 6.3:**

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

*Compliance: Yes*

The Board encourages the attendance of Shareholders at Shareholders' meetings and sets the time and location of each meeting to promote the Company's investor relations program.

As many directors as possible seek to attend shareholder meetings, so as to be available to provide input on specific shareholder queries that may be put to the board. Where it is not possible for a director to attend shareholder meetings in person, the Company makes use of technology to enable those directors to attend meetings via video or tele conference facilities.

The Chair also encourages shareholders at the meeting to ask questions and make comments about Strandline's operations. The Chair may respond directly to questions or at his discretion may refer a question to another Director, the Managing Director or a senior executive.

**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.

*Compliance: Yes*



The Company has in place a practice whereby all substantive resolutions at a meeting of security holders are decided by way of 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.

*Compliance: Yes*

The Company encourages the use of electronic communication and offers Security Holders the option to receive and send electronic communication to the Company and its share registry where possible.

The Annual Report is made available to shareholders and other stakeholders in a timely manner in both print and on-line versions. The Company's financial reports and presentations can be freely downloaded from the Company's website.

Shareholders have the option of electing to receive all shareholder communications by e-mail. Strandline provides a printed copy of the Annual Report to only those shareholders who have specifically elected to receive a printed copy. All announcements made to the ASX are available to shareholders by e-mail notification when a shareholder provides the Company with an e-mail address and elects to be notified of all Strandline ASX announcements.

The Strandline Share Register is managed and maintained by Computershare Investor Services Pty Limited. Shareholders can access their shareholding details or make enquiries about their current shareholding electronically by quoting their Shareholder Reference Number (SRN) or Holder Identification Number (HIN), via the Computershare investor centre at: <https://www-au.computershare.com/Investor>

**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:
  - has at least three members, a majority of whom are independent directors; and
  - is chaired by an independent director, and disclose:
    - the charter of the committee;
    - the members of the committee; and
    - 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.

*Compliance: Yes*

The Board has an Audit & Risk Committee which consists of Mr Hancock (Chair), Ms Atkins and Mr Hodder. The composition of the Committee meets the requirement of Recommendation 7.1 to consist of at least three members and a majority of independent directors. The Board considers the membership of the Committee consists of the most appropriately qualified directors to sit on the Committee. The Board of Directors is responsible for overseeing and approving policies for the management and oversight of material business risks, internal compliance, and internal controls. The objectives of Strandline's risk management program are contained in the Risk Management Policy which is available on the Company's website at <https://strandline.com.au/corporate-governance/>

The Company has in place a system of risk management that identifies and categorises and manages material business risks faced by the Company and is reviewed by the Audit & Risk Committee. The Board receives regular reports of the effectiveness of the Group's risk management systems.

The Board recognises that no cost-effective internal control system will preclude all errors and irregularities. The Board reviews the business and financial risk management systems and internal control systems implemented by management to obtain reasonable assurance that the entity's assets are safeguarded and that the reliability and integrity of its financial information is maintained.

The Company also has a Technical and Sustainability Committee to assist the Board in meeting its oversight responsibilities in relation to the Company's technical and sustainability policies and practices. The members consist of Mr Watson (Chair), Mr Graham and Ms Atkins.

**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 entity 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.

*Compliance: Yes*

The Company's risk management framework was reviewed during the year by the full Board. In addition, the Board and senior management discuss on an ongoing informal basis the risks facing the company, acceptable levels of risk and the measures for managing risks.

**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.

*Compliance: Yes*

The Company does not have an internal audit function, however the Board oversees the effectiveness of governance, risk management and internal control processes. Management is charged with resourcing, operating and monitoring the system of internal control, incorporating risk responses in the form of controls into its management systems, and reporting results of the effectiveness of these systems to the Board.

Although no system of internal control can provide absolute assurance that the business risks will be fully mitigated, the internal control systems adopted by the Company have been designed to meet the Company's specific needs and the risks to which it is exposed. Internal control measures currently adopted by the Board include:

- i) monthly reporting to the Board in respect of operational and financial performance;
- ii) authority limits established for management which must not be exceeded unless prior Board approval is obtained;
- iii) a compliance procedure for the purpose of ensuring compliance with the Company's continuous disclosure obligations; and
- iv) regular reports to the Board by appropriate members of the management team and/or independent advisers, outlining the nature of particular risks and highlighting measures which are either in place or can be adopted to manage or mitigate those risks.

The Board monitors the need for an internal audit function having regard to the size, location and complexity of the Company's operations. Certain specific areas are chosen for external review as considered prudent. The Board reviews risk management and internal compliance procedures at each Board meeting under the heading of 'Risk' and monitors the quality of the accounting function.

**Recommendation 7.4:**

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

*Compliance: Yes*

The Company's exposure to material economic, environmental and social sustainability risks, if any, is included in the Review of Operations, Directors' Report and the financial statements all contained in the Annual Report and under its continuous disclosure obligations.

## **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.

*Compliance: Yes*

The Board has a Remuneration and Nomination Committee consisting of Mr Murcia (Chair), Mr Hodder and Mr Hancock. The composition of the Committee meets the requirement of Recommendation 8.1 to consist of at least three members, the majority of whom are independent, and is chaired by an Independent Director. Please refer to commentary under Recommendation 2.1.

### **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.

*Compliance: Yes*

Strandline's remuneration structure distinguishes between Non-Executive Directors and that of the Managing Director and senior executives. Full details of the Company's policies and practices regarding the remuneration of executive and non-executive directors and other senior executives are disclosed in the Company's Annual Financial Report.

### **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.

In accordance with the Company's Share Trading Policy which is available on the Company's website at <https://strandline.com.au/corporate-governance/> all participants in equity based incentive plans are prohibited from entering into transactions which limit the risk of participating in unvested entitlements in Strandline shares.

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| <b>Approved by:</b> | The Board of Directors | <b>Approval Date:</b> | 5 September 2023 |
|---------------------|------------------------|-----------------------|------------------|