

# BOARD CHARTER

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## BOARD CHARTER

### 1 PURPOSE OF THE CHARTER

- 1.1 This Board Charter (the **Charter**) sets out the role, composition and responsibilities of the Board of Directors (the **Board**) of Centamin plc (the **Company**) within the governance structure of the Company and its subsidiaries (the **Group**).
- 1.2 The conduct of the Board is also governed by the Company's Code of Conduct Policy and Articles of Association of the Company (the **Constitution**).
- 1.3 The Charter has been updated to take account of the UK Corporate Governance Code (the **Code**) published in April 2018 and best practice guidance issued by the Financial Reporting Council.

### 2 MEMBERSHIP, TERM AND COMMITMENT

- 2.1 Each Director shall retire from office at each annual general meeting and may, if willing to act, be reappointed. The names of Directors submitted for election or re-election shall be accompanied by sufficient biographical details and any other relevant information to enable shareholders to take an informed decision on their election. The Board shall set out why they believe an individual should be elected. The Chairman should confirm to shareholders when proposing re-election that, following formal performance evaluation, the individual's performance continues to be effective and to demonstrate commitment to the role.
- 2.2 The Board will have a balance of Executive and Non-Executive Directors, the majority of whom will be independent Non-Executive Directors, who have the appropriate skills, experience, independence and knowledge of the Company to enable them to discharge their duties and responsibilities effectively.
- 2.3 All Directors, whether independent or not, should have a proper understanding of, and competence to deal with, the current and emerging issues of the business and bring an independent judgment to bear on Board decisions.
- 2.4 The Board members shall be committed to encourage enhanced performance of the Company and effectively review and challenge the performance of management.
- 2.5 Membership of the Board shall be disclosed in the Company's annual report (the Annual Report), including whether a Director is independent or not independent. Non-Executive Directors are judged by the Board to be independent of judgment and character and free of material relationships with the Company and any other entities and people that might influence or would be perceived by shareholders to influence such judgment in accordance with the Company's Directors' Test of Independence Policy.
- 2.6 The Board should meet sufficiently regularly to discharge its duties effectively. The Board generally has at least four regularly scheduled meetings in each financial year and details of the attendance by the members of the Board and Committees shall be included in the Annual Report.

- 2.7 All new members of the Board are to be provided with a formal letter of appointment setting out the key terms and conditions of their appointment and the Company shall arrange appropriate insurance cover in respect of legal action against its Directors.
- 2.8 All Board members must inform the Board before accepting any other directorships;
- 2.9 All Directors must act in what they consider to be the best interests of the Company and consistent with their fiduciary and common law duties as well as their statutory duties, in accordance with the Companies (Jersey) Law 1991, as amended (the **Law**). Such provisions in the Law include (but are not limited to), the requirement for all directors, in exercising their power and discharging their duties to:
- (a) act honestly and in good faith with a view to the best interests of the Company; and
  - (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

### **3 MATTERS RESERVED FOR THE BOARD**

- 3.1 The role of the Board is to provide leadership to the Group and set the Group's values and standards to ensure that its obligations to its shareholders are met and the Group complies with both regulatory and governance requirements.
- 3.2 The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable. In carrying out its responsibilities, the Board undertakes to serve the interests of shareholders, employees, and the broader community honestly, fairly, diligently and in accordance with applicable laws.
- 3.3 The following are matters which are specifically reserved for the Board and they constitute the key responsibilities of the Board, namely to:
- (a) **Strategy and Management**
    - (i) develop, review and monitor the Company's long term business strategies and provide strategic direction to management and ensure that the necessary financial and human resources are in place to meet the Group's objectives;
    - (ii) set the Group's values and standards and ensure that its obligations to its shareholders and others are understood and met;
    - (iii) determine the nature and extent of the principal risks and in maintaining a sound risk management and internal control system, conduct a robust assessment of the principal risks and how they are managed or mitigated, taking into consideration the impact on the business model, performance and liquidity. The Board will include an explanation in the Annual Report

- on its assessment of the prospects of the Group and its ability to continue in operation over the period of assessment;
- (iv) review and monitor the effectiveness of the Group's risk management and internal control system including all material controls, financial, operational and compliance controls; and
  - (v) extend the Group's activities into new business or geographic areas and any decision to cease to operate all or any material part of the Group's business.
- (b) Structure and Capital
- (i) approve and monitor budgets, major capital commitments, capital management, acquisitions and divestitures including the approval of any significant unbudgeted capital or operating expenditure;
  - (ii) approve and monitor major changes to the Group's corporate structure, including acquisitions and disposals of shares (which are material to the size of the Group), changes relating to the Group's capital structure (including reduction in capital), share issues (except under employee share plans) and share buy backs;
  - (iii) approve and monitor changes to the Group's management and control structure; and
  - (iv) approve and monitor changes to the Company's listing or its status as a plc.
- (c) Financial Reporting and Controls
- (i) approve the quarterly, half-yearly and Annual Report and accounts. This will include reporting on whether it is considered appropriate to adopt a going concern basis of accounting having identified any material uncertainties in the Company's ability to continue as a going concern over at least the next twelve months from the date of approval of the accounts, with supporting assumptions or qualifications as necessary, providing the relevant authority to the Audit and Risk Committee, as set out in the Audit and Risk Committee Charter;
  - (ii) consider and state in the Annual Report and accounts whether, taken as a whole, the Annual Report and accounts are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy, including a statement explaining the basis on which the Group generates or preserves value over the longer term and the strategy for delivering the objectives of the Company;

- (iii) approve any significant changes in accounting policies or practices as suggested by the Audit and Risk Committee;
  - (iv) approve the dividend policy, declaration of the interim or final dividend; and
  - (v) approve the treasury policy.
- (d) **Contracts**
  - (i) approve major capital projects (to include oversight of the delivery and execution); and
  - (ii) approve material contracts not in the ordinary course of business including (but not limited to) a major investment in the acquisition or disposal of interests of more than (3) percent in the voting shares of any company or the making of any takeover offer.
- (e) **Stakeholder Communication**
  - (i) ensure that members of the Board develop an understanding of the views of major shareholders about the Group, stating in the Annual Report the steps that have been taken to ensure satisfactory dialogue with the major shareholders and encouraging shareholder participation at the AGM;
  - (ii) approve resolutions to be put forward to shareholders at general meetings;
  - (iii) approve prospectuses and listing particulars and any press releases concerning matters decided by the Board; and
  - (iv) in the event that a significant proportion of votes have been cast against a resolution at a general meeting, consider additional disclosure when announcing the results of the general meeting.
- (f) **Board Membership and other Appointments**
  - (i) Upon the recommendation of the Nomination Committee, the Board shall consider, and, if thought fit, approve:
    - 1. any changes to the structure, size and composition of the Board;
    - 2. the selection, appointment or removal of the:
      - (aa) Chairman;
      - (bb) Chief Executive Officer;
      - (cc) Executive Directors;
      - (dd) Non-Executive Directors;

- (ee) Deputy Chairman and Senior Independent Director;
    - (ff) Chief Financial Officer;
    - (gg) Company Secretary;
    - (hh) General Counsel; and/or
    - (ii) Membership and Chairmanship of the Board committees.
  - (ii) approve any Directors continuation in office at the end of their term of office and approve any recommendations to shareholders for the election or re-election of any Director.
  - (iii) consider the continuation in office of any Director at any time, including the suspension or termination of service of an executive Director as an employee of the Company, subject to the governing law of their service contract;
  - (iv) approve the appointment, reappointment or removal of the Company's external auditor to be put to shareholders for approval at a general meeting, following the recommendation of the Audit and Risk Committee; and
  - (v) ensure adequate succession planning for the Board and senior management to maintain an appropriate balance of skills and experience within the Group and on the Board.
- (g) Remuneration
- (i) Upon the recommendation and/or consultation with the Remuneration Committee the Board shall consider and if thought fit approve:
    - 1. the introduction of or, material changes to, employee share plans or bonus plans;
    - 2. the approval of any significant changes to the structure of remuneration for senior management; and
    - 3. the remuneration of the non-executive Directors, subject to the Articles of Association and shareholder approval as may be appropriate.
- (h) Corporate Governance
- (i) The Board shall;
    - 1. produce a corporate governance statement to be included in the Annual Report which includes a statement on compliance with the Code or an explanation of non-compliance with the Code;

2. undertake a formal and rigorous annual evaluation of the performance of its committees and Directors, stating in the Annual Report how performance evaluation has been conducted;
3. establish and maintain corporate governance standards;
4. monitor compliance with legal, regulatory requirements (including continuous disclosure) and ethical standards;
5. request and receive reports on the views of shareholders to ensure that they are communicated to the Board as a whole;
6. authorise conflicts of interest, where permitted by the Company's Articles of Association;
7. lead by example to establish a culture within the Company which strives for and rewards best practice in all areas of the business;
8. monitor whether the Board is appropriately skilled to meet the changing needs of the Company. The entire Board (subject to shareholders' voting rights in general meeting) is responsible for selection of Directors, with assistance from the Nomination Committee, and seeks to ensure that a candidate's experience and competence can assist the Company in meeting its corporate objectives and plans;
9. review, ratify and monitor the Company's Code of Conduct; and
10. ensure that appropriate resources are available to senior executives.

(i) Delegation of Authority

All matters which the Board considers suitable for delegation are contained in the terms of reference of its committees and the board shall;

- (i) approve the scope and extent of the role of and delegations to the Chairman, Chief Executive Officer and Senior Independent Director (such role and responsibility as set out below);
- (ii) establish the Board committees and approve their terms of reference, approving any material changes thereto; and
- (iii) request and receive updates from the Board Committees on their activities and/or reports and recommendations from time to time on any matter which the Board considers significant to the Group.

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- (j) Policies
    - (i) approve material changes to Group policies, including (but not limited to);
      1. the Board and Committee Charters
      2. Directors' Test of Independence policy;
      3. Code of Conduct;
      4. Remuneration Policy;
      5. Selection, Appointment and Re-Appointment of Directors Policy;
      6. Shareholders' Communications Policy;
      7. Continuous Disclosure Policy;
      8. Securities Trading Policy;
      9. Risk Management Policy;
      10. Health & Safety Policy;
      11. Environmental Policy;
      12. Whistle Blowers Policy; and
      13. Anti-Corruption and Bribery Policy.

#### **4 CHAIRMAN**

##### 4.1 The Chairman is responsible for:

- (a) The leadership of the Board and ensuring its effectiveness on all aspects of its role and setting its agenda;
- (b) The efficient organisation and conduct of the Board's functioning, including establishing the agenda for the Board meetings in consultation with the CEO, chairing Board meetings and ensuring that the Board behaves in accordance with the Board's Code of Conduct;
- (c) Ensuring that the Directors receive accurate, timely and clear information in a form and of a quality appropriate to enable it to discharge their duties. All Directors are entitled to request additional information where they consider such information necessary to make informed decisions;



- (d) Ensuring that the views of shareholders are communicated to the Board as a whole, and that governance and strategy issues are discussed with major shareholders;
  - (e) Ensuring that the Directors continually update their skills, knowledge and familiarity with the Company required to fulfil their role both on the Board and on Board Committees and reviewing regularly the training and development needs of each Director.
  - (f) Ensuring that new Directors receive a full, formal and tailored induction on joining the Board. The letter of appointment should set out the Director's expected time commitment.
  - (g) Facilitating the effective contribution of all Directors at Board meetings;
  - (h) ensuring contact with the principal shareholders in respect to the Company's remuneration policy; and
  - (i) facilitating the effective contribution of all Directors at Board meetings and promoting a culture of openness and debate by facilitating the effective contribution by all members of the Board;
  - (j) meeting with the Non-Executive Directors without the Executive Directors present;
  - (k) representing the Group to external shareholders, key suppliers and regulatory and governmental authorities and communities; and
  - (l) The promotion of constructive and respectful relations between Directors, and between the Board and management.
- 4.2 The Chairman shall disclose to the Board any significant commitments outside the Group and this information and its impact will be included in each Annual Report.
- 4.3 The Chairman shall at all times have access to the Company Secretary, General Counsel and External Auditor.
- 5 CHIEF EXECUTIVE OFFICER**
- 5.1 The role of the CEO is to manage the Group's business on a day-to-day basis, subject to the Matters Reserved for the Board and the matters assigned to the Board Committees and also to assist the Board in carrying out its role.
- (a) The development (in conjunction with the Board) and implementation of short, medium and long-term corporate strategies for the Group, preparing business plans and reports with senior management and reporting/presenting to the Board on current and future initiatives;
  - (b) Managing a team of executives responsible for all functions contributing the success of the Group;

- (c) Ensuring that the Group has the appropriate risk management practices and policies in place;
- (d) The efficient and effective operation of the Group;
- (e) The assessment of business opportunities which are of potential benefit to the Group;
- (f) Bringing material and other relevant matters to the attention of the Board in an accurate and timely manner;
- (g) reporting regularly to the Board with timely and accurate information to allow the Board to discharge its responsibilities effectively; and
- (h) Overseeing shareholder communications.

5.2 The CEO shall disclose to the Board any significant commitments outside the Group and this information and its impact will be included in each Annual Report.

5.3 The CEO shall at all times have access to the Company Secretary, General Counsel and External Auditor.

## **6 SEPARATION OF FUNCTIONS BETWEEN THE CHAIRMAN AND THE CEO**

6.1 Save in exceptional circumstances, the roles of the Chairman (see section 4) and the CEO (see section 5) are strictly separated. It is also noted that;

- (a) The CEO of the Company should not go on to be Chairman of the Company. If, exceptionally, the Board decides that the CEO should become Chairman, the Board shall consult major shareholders in advance and set out its reasons to shareholders at the time of the appointment and in the next Annual Report; and
- (b) The balance of responsibilities between the Chairman and the CEO will be regularly reviewed by the Nomination Committee to ensure the division of functions remains appropriate to the needs of the Company.

## **7 DEPUTY CHAIRMAN AND SENIOR INDEPENDENT DIRECTOR**

7.1 One of the Directors shall be designated by the Board as a Senior Independent Director and the Senior Independent Director should be a Non-Executive Director who is determined by the Board to be independent, as per the definition of independence contained within the Company's Directors Test of Independence Policy.

7.2 The Senior Independent Director shall:

- (a) assist the Board in carrying out its responsibilities,.
- (b) convene and chair regular meetings with the other Non-Executive Directors without the executives being present and for meeting with a range of major shareholders

on a regular basis in order to help develop a balanced understanding of the issues and concerns of major shareholders and liaising with the Chairman regarding shareholder communications (if appropriate);

- (c) provide a sounding board for the Chairman and serves as an intermediary for the other Executive directors, when necessary; and
- (d) lead a meeting of the Non-Executives without the Chairman present, at least annually to appraise the Chairman's performance.

7.3 The Code and best practice recommendations favour that the chairman be an independent director on appointment. When the Chairman of the Company is not considered to be independent within the meaning of the Code, the Senior Independent Director will take an active role to ensure the Board's ongoing effectiveness in all respects.

7.4 The Senior Independent Director may, when undertaking the additional responsibilities referred to in 7.3, be known as the Deputy Chairman and Senior Independent Director.

## **8 NON-EXECUTIVE DIRECTORS**

8.1 All Non-Executive Directors are encouraged to:

- (a) regularly update and refresh their skills, knowledge and familiarity with the Company;
- (b) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice; and
- (c) where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board, to the extent that they are not resolved, ensure that they are recorded in the Board minutes. On resignation, a Non-Executive Director should provide a written statement to the Chairman, for circulation to the Board, if they have any such concerns.

8.2 It is up to each Non-Executive Director to reach a view as to what is necessary in particular circumstances to comply with the duty of care, skill and diligence they owe as a Director to the Company.

8.3 Non-Executive Directors are invited to attend meetings with major shareholders when requested.

8.4 The Annual Report must identify each Non-Executive Director considered independent, along with reasons for the existence of any relationships or circumstances which may appear to impede their independence.

8.5 Led by the Senior Independent Director, the Non-Executive Directors shall meet once a year without the Chairman present to appraise the Chairman's performance.

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## **9 BOARD COMMITTEES**

To assist it in carrying out its responsibilities, and in accordance with its Constitution, the Board has established the following five standing committees. They are:

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

The responsibilities of the Committees are laid out in their respective charters.

Each Board committee shall undertake an internal review of its own performance, having regard to the principles and requirements of its charter and its overall objectives, reporting back to the Board with the results of its performance review and any recommended changes to its charter.

A disclosure committee has been established by the Board to meet, on an ad-hoc basis, in the event consensus needs to be reached on the Company's approach to an issue which may relate to inside information or unpublished material of a price sensitive nature, or information that has a reasonable prospect of developing into price sensitive information.

## **10 INDEPENDENT ADVICE**

Directors have the right to seek independent professional advice in the furtherance of their service as Directors, at the Company's expense. Written approval must be obtained from the CEO prior to incurring expense on behalf of the Company.

## **11 BOARD OF DIRECTORS – CODE OF CONDUCT**

- 11.1 A Director must act honestly, in good faith and in the best interest of the Company as a whole.
- 11.2 A Director has to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office.
- 11.3 A Director must use the powers of office for a proper purpose, in the best interests of the Company as a whole.
- 11.4 A Director must recognise that his primary responsibility is to the Company's shareholders as a whole but should, where appropriate, have regard for the interests of all stakeholders of the Company.
- 11.5 A Director must not make improper use of information acquired as a Director.

- 11.6 A Director must not take improper advantage of the position of Director.
- 11.7 A Director must not allow personal interests, or the interest of any associated person, to conflict with the interests of the Company.
- 11.8 A Director has an obligation to be independent in judgment and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board of Directors.
- 11.9 Confidential information received by a Director in the course of the exercise of their duties as a Director of the Company remains the property of the Company and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the Company, or the person from whom the information is provided, or is required by law.
- 11.10 A Director should not engage in conduct likely to bring discredit upon the Company.
- 11.11 A Director has an obligation, at all times, to comply with the spirit, as well as the letter, of the law and with the principles of this Code of Conduct.

## **12 SECRETARY**

- 12.1 The Company Secretary will be the Secretary of the Board.
- 12.2 Under the direction of the Chairman, the Company Secretary's responsibilities include ensuring good information flows between members of the Board and the Board Committees, and between senior management and Non-Executive Directors, as well as facilitating the induction of new Directors and assisting with each Director's professional development, as required.
- 12.3 The Company Secretary should be responsible for advising the Board through the Sustainability Committee and the Chairman on all governance matters.
- 12.4 All Directors have access to the advice and services of the Company Secretary.
- 12.5 The Company Secretary is responsible for monitoring the Board's policies, ensuring procedures are followed, and co-ordinating the timely completion and despatch of the Board agenda and briefing materials.
- 12.6 The Board shall maintain written minutes or other records of its meetings and activities. Minutes of each meeting of the Board shall be distributed to each member of the Board. The Secretary of the Company shall retain the original signed minutes for filing with the corporate records of the Company.

## **13 REPORTING**

- 13.1 Proceedings of all meetings are minuted and signed by the chairman of the meeting.
- 13.2 Minutes of all Board meetings are circulated to directors and approved by the Board at the subsequent meeting.

## **14 REVIEW OF CHARTER**

- 14.1 The Board will review this Charter annually to ensure it remains consistent with the Board's objectives and responsibilities.

## **15 PUBLICATION OF THE CHARTER**

- 15.1 Key features of this Charter are to be outlined in the Annual Report.
- 15.2 A copy of this Charter is to be made available on the Company's website [www.centamin.com](http://www.centamin.com)
- 15.3 This Charter will be made available to the Company's shareholders upon request.

## **16 AMENDMENT OF THIS CHARTER**

- 16.1 This Charter has been adopted by the Board. Any amendment to this Charter can only be approved by one member of the Sustainability Committee, or if so required by the Sustainability Committee, approval by the full Board.
- 16.2 The Company Secretary in conjunction with the General Counsel is responsible for reviewing this Charter on an annual basis to ensure its continued compliance with legal and corporate governance requirements applicable to companies listed on any stock exchange on which the Company is listed and, if necessary, suggesting amendments to the Charter for consideration by the Sustainability Committee and where applicable, the Board.