

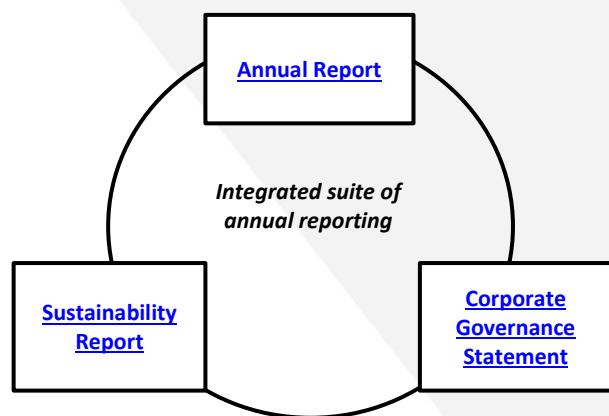


## 2018 Appendix 4G and Corporate Governance Statement

St Barbara Limited submits the attached 2018 Appendix 4G and Corporate Governance Statement in accordance with ASX Listing Rules 4.7.3, 4.7.4 and 4.10.3, which reference the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* 3<sup>rd</sup> edition published in 2014.

This information is supplemented with the Company's current position on the key changes proposed in the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* 4<sup>th</sup> edition consultation draft published on 2 May 2018, which is proposed to be effective from 1 July 2019. The Council received 100 submissions on the consultation draft during the consultation period, which closed on 27 July 2018. It is anticipated that some changes will be made to the consultation draft before the final document is scheduled to be released in the first quarter of calendar 2019.

The Corporate Governance Statement complements, and should be read in conjunction with, information contained in the Company's corresponding Annual Report and Sustainability Report, both released today and available at [stbarbara.com.au](http://stbarbara.com.au).



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St Barbara Limited ACN 009 165 066	Level 10, 432 St Kilda Road, Melbourne VIC 3004 Locked Bag 9, Collins Street East, Melbourne VIC 8003		T +61 3 8660 1900 F +61 3 8660 1999 W <a href="http://www.stbarbara.com.au">www.stbarbara.com.au</a>	

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

St Barbara Limited

ABN / ARBN:

36 009 165 066

Financial year ended:

30 June 2018

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>

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

The Corporate Governance Statement is accurate and up to date as at 31 August 2018 and has been approved by the Board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date: 14 September 2018

Name of Director or Secretary authorising lodgement: Rowan Cole  
Company Secretary

<sup>1</sup> Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

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 rule 4.10.3.

<sup>2</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.

<sup>3</sup> Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

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.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation (3 <sup>rd</sup> edition, 2014)		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
1.1	A listed entity should disclose:  (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.	... the fact that we follow this recommendation:  <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management):  <input checked="" type="checkbox"/> is set out in the Board Charter available at <a href="http://stbarbara.com.au/about-us/governance/">stbarbara.com.au/about-us/governance/</a>
1.2	A listed entity should:  (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation:  <input checked="" type="checkbox"/> in our Corporate Governance Statement
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation:  <input checked="" type="checkbox"/> in our Corporate Governance Statement
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation:  <input checked="" type="checkbox"/> in our Corporate Governance Statement
1.5	A listed entity should:  (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) 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.	... the fact that we have a diversity policy that complies with paragraph (a):  <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and a copy of our diversity policy or a summary of it:  <input checked="" type="checkbox"/> at <a href="https://stbarbara.com.au/about-us/governance/">https://stbarbara.com.au/about-us/governance/</a> ... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:  <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and the information referred to in paragraphs (c)(1) or (2):  <input checked="" type="checkbox"/> the information in (c)(1) is included in the Corporate Governance Statement and the information in (c)(2) is included in the WGEA report published at <a href="http://stbarbara.com.au/wp-content/uploads/2018/07/2018.07.10-shareholder-notice-workplace-gender-equality-act-2017-18-public-report.pdf">stbarbara.com.au/wp-content/uploads/2018/07/2018.07.10-shareholder-notice-workplace-gender-equality-act-2017-18-public-report.pdf</a>
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, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	... the evaluation process referred to in paragraph (a):  <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and the information referred to in paragraph (b):  <input checked="" type="checkbox"/> in our Corporate Governance Statement

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation (3 <sup>rd</sup> edition, 2014)		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
1.7	A listed entity should:  (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	... the evaluation process referred to in paragraph (a): <input checked="" type="checkbox"/> in the Remuneration Report contained in the Annual Report available at <a href="http://stbarbara.com.au/investors/annual-reports/">stbarbara.com.au/investors/annual-reports/</a> ... and the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE		
2.1	The board of a listed entity should:  (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; 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.	... the fact that we have an nomination committee (as part of the Remuneration and Nomination Committee) that complies with paragraphs (1) and (2): <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and a copy of the charter of the committee: <input checked="" type="checkbox"/> at <a href="http://stbarbara.com.au/about-us/governance/">stbarbara.com.au/about-us/governance/</a> ... and the information referred to in paragraphs (4) and (5): <input checked="" type="checkbox"/> in the Directors' Report included in the Annual Report available at <a href="http://stbarbara.com.au/investors/annual-reports/">stbarbara.com.au/investors/annual-reports/</a>
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	... our board skills matrix: <input checked="" type="checkbox"/> in our Corporate Governance Statement
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, association 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, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and, where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation (3 <sup>rd</sup> edition, 2014)		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>		
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>		
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	... the fact that we have an audit committee (as part of the Audit and Risk Committee) that complies with paragraphs (1) and (2): <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and a copy of the charter of the committee: <input checked="" type="checkbox"/> at <a href="http://stbarbara.com.au/about-us/governance/">stbarbara.com.au/about-us/governance/</a> ... and the information referred to in paragraphs (4) and (5): <input checked="" type="checkbox"/> in the Directors' Report included in the Annual Report available at <a href="http://stbarbara.com.au/investors/annual-reports/">stbarbara.com.au/investors/annual-reports/</a>
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
4.3	A 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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>		
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and a copy of the policy is available at <a href="http://stbarbara.com.au/about-us/governance/">stbarbara.com.au/about-us/governance/</a>

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation (3 <sup>rd</sup> edition, 2014)		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<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.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at <a href="http://stbarbara.com.au">stbarbara.com.au</a> , in particular <a href="http://stbarbara.com.au/about-us/">stbarbara.com.au/about-us/</a> and <a href="http://stbarbara.com.au/about-us/governance/">stbarbara.com.au/about-us/governance/</a>
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>		
7.1	The board of a listed entity should:  (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, 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 risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	... the fact that we have a committee or committees (as part of the Audit and Risk Committee) to oversee risk that comply with paragraphs (1) and (2): <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and a copy of the charter of the committee: <input checked="" type="checkbox"/> at <a href="http://www.stbarbara.com.au/profile/governance">www.stbarbara.com.au/profile/governance</a> ... and the information referred to in paragraphs (4) and (5): <input checked="" type="checkbox"/> at Directors Report included in the Annual Report available at <a href="http://stbarbara.com.au/investors/annual-reports/">stbarbara.com.au/investors/annual-reports/</a>
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 (b) disclose, in relation to each reporting period, whether such a review has taken place.	... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound: <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and that such a review has taken place in the reporting period covered by this Appendix 4G: <input checked="" type="checkbox"/> in our Corporate Governance Statement
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 risk management and internal control processes.	... how our internal audit function is structured and what role it performs: <input checked="" type="checkbox"/> in our Corporate Governance Statement

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation (3 <sup>rd</sup> edition, 2014)		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> at Directors Report included in the Annual Report available at <a href="http://stbarbara.com.au/investors/annual-reports/">stbarbara.com.au/investors/annual-reports/</a></p> <p>The entity's environmental, social and governance [ESG] performance is presented in the Sustainability Report available at <a href="http://stbarbara.com.au/sustainability/">stbarbara.com.au/sustainability/</a></p>
<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,</p> <p>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>... the fact that we have a remuneration committee (as part of the Remuneration and Nomination Committee) that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://stbarbara.com.au/about-us/governance/">stbarbara.com.au/about-us/governance/</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> at Directors Report included in the Annual Report available at <a href="http://stbarbara.com.au/investors/annual-reports/">stbarbara.com.au/investors/annual-reports/</a></p>
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	<p>... separately our remuneration 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"/> at Remuneration Report included in the Annual Report available at <a href="http://stbarbara.com.au/investors/annual-reports/">stbarbara.com.au/investors/annual-reports/</a></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>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> at the Securities Dealing Policy at <a href="http://stbarbara.com.au/about-us/governance/">stbarbara.com.au/about-us/governance/</a></p>

**ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* 4<sup>th</sup> edition consultation draft published on 2 May 2018**

The information below reports the Company's current position on the key changes proposed in the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* 4<sup>th</sup> edition consultation draft published on 2 May 2018, which is proposed to be effective from 1 July 2019. The Council received 100 submissions on the consultation draft during the consultation period which closed on 27 July 2018. It is anticipated that some changes will be made to the consultation draft before the final document is scheduled to be released in the first quarter of calendar 2019.

<i>Corporate Governance Council recommendation (4<sup>th</sup> edition consultation draft published 2 May 2018, proposed changes from 3rd edition in blue text)</i>		<i>We have followed the recommendation in full for the whole of the period above. We have disclosed ...</i>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
1.5	<p>A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have <i>and disclose</i> a diversity policy;</li> <li>(b) <i>through its</i> board or a committee of the board: <ul style="list-style-type: none"> <li>(i) set measurable objectives for achieving gender <i>diversity in the composition of its board, senior executives and workforce generally</i>;</li> <li>(ii) <i>charge management with designing, implementing and maintaining programs and initiatives to help achieve those measurable objectives</i>; and</li> <li>(iii) <i>review with management at least annually the entity's progress towards achieving those measurable objectives and the adequacy of the entity's programs and initiatives in that regard</i>; and</li> </ul> </li> <li>(c) disclose <i>in relation to</i> each reporting period: <ul style="list-style-type: none"> <li>(i) the measurable objectives for achieving gender diversity set by the board or a committee of the board;</li> <li>(ii) the entity's progress towards achieving <i>the measurable objectives</i>;</li> <li>(iii) <i>whether the review referred to in (b)(3) above has taken place</i>; and</li> <li>(iv) either: <ul style="list-style-type: none"> <li>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole <i>workforce</i> (including how the entity has defined "senior executive" for these purposes); or</li> <li>(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.</li> </ul> </li> </ul> </li> </ul>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement</li> <li>... and a copy of our diversity policy or a summary of it:</li> <li><input checked="" type="checkbox"/> at <a href="http://stbarbara.com.au/about-us/governance/">stbarbara.com.au/about-us/governance/</a></li> <li>... and the measurable objectives in paragraph (b) for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</li> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement</li> <li>... and the information referred to in paragraph (c):</li> <li><input checked="" type="checkbox"/> the information in (c)(1),(2) and (3) is included in the Corporate Governance Statement and the information in (c)(4) is included in the WGEA report published at <a href="http://stbarbara.com.au/wp-content/uploads/2018/07/2018.07.10-shareholder-notice-workplace-gender-equality-act-2017-18-public-report.pdf">stbarbara.com.au/wp-content/uploads/2018/07/2018.07.10-shareholder-notice-workplace-gender-equality-act-2017-18-public-report.pdf</a></li> </ul>
<b>PRINCIPLE 3 – INSTIL THE DESIRED CULTURE</b>		
3.1	A listed entity should <i>articulate and disclose its core values</i> .	<p>... our core values:</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement</li> </ul>
3.2	<p>A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have <i>and disclose</i> a code of conduct for its directors, senior executives and employees; and</li> <li>(b) ensure that the board is informed of: <ul style="list-style-type: none"> <li>(1) any material breaches of that code by a director or senior executive; and</li> <li>(2) any other material breaches of that code that call into question the culture of the organisation.</li> </ul> </li> </ul>	<p>... our code of conduct or a summary of it:</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement</li> <li>... and the information referred to in paragraph (b):</li> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement</li> </ul>

**ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* 4<sup>th</sup> edition consultation draft published on 2 May 2018**

The information below reports the Company's current position on the key changes proposed in the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* 4<sup>th</sup> edition consultation draft published on 2 May 2018, which is proposed to be effective from 1 July 2019. The Council received 100 submissions on the consultation draft during the consultation period which closed on 27 July 2018. It is anticipated that some changes will be made to the consultation draft before the final document is scheduled to be released in the first quarter of calendar 2019.

<i>Corporate Governance Council recommendation (4<sup>th</sup> edition consultation draft published 2 May 2018, proposed changes from 3<sup>rd</sup> edition in blue text)</i>		<i>We have followed the recommendation in full for the whole of the period above. We have disclosed ...</i>
3.3	<p><i>A listed entity should:</i></p> <p class="list-item-l1">(a) <i>have and disclose a whistleblower policy that encourages employees to come forward with concerns that the entity is not acting lawfully, ethically or in a socially responsible manner and provides suitable protection if they do; and</i></p> <p class="list-item-l1">(b) <i>ensure that the board is informed of any material concerns raised under that policy that call into question the culture of the organisation.</i></p>	<p>... the fact that we have a whistleblower policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and a copy of our whistleblower policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at <a href="http://stbarbara.com.au/about-us/governance/">stbarbara.com.au/about-us/governance/</a></p> <p>... and we comply with paragraph (b)</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
3.4	<p><i>A listed entity should:</i></p> <p class="list-item-l1">(a) <i>have and disclose an anti-bribery and corruption policy; and</i></p> <p class="list-item-l1">(b) <i>ensure that the board is informed of any material breaches of that policy.</i></p>	<p>... the fact that we have an anti-bribery and anti-corruption policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and a copy of our anti-bribery and anti-corruption policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at <a href="http://stbarbara.com.au/about-us/governance/">stbarbara.com.au/about-us/governance/</a></p> <p>... and we comply with paragraph (b)</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
4.4	<p><i>A listed entity should have and disclose its process to validate that its annual directors' report and any other corporate reports it releases to the market are accurate, balanced and understandable and provide investors with appropriate information to make informed investment decisions.</i></p>	<p>... the fact that we have a process that complies with this paragraph:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement.</p> <p>... and is described in the Continuous Disclosure and External Communications Policy available at <a href="http://stbarbara.com.au/about-us/governance/">stbarbara.com.au/about-us/governance/</a></p> <p>Note: The existing process for market releases complies with ASX draft recommendation, however, the Continuous Disclosure &amp; External Communication Policy will be reviewed prior to 1 July 2019</p>
5.2	<p><i>A listed entity should ensure that its board receives copies of all announcements under Listing Rule 3.1 promptly after they have been made.</i></p>	<p>... the fact that we have a process that complies with this paragraph:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement.</p>
5.3	<p><i>A listed entity that gives a new investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.</i></p>	<p>... the fact that we have a process that complies with this paragraph:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement.</p>
6.4	<p><i>A listed entity should ensure that all resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</i></p>	<p>... the fact that we have a process that complies with this paragraph:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement.</p>

**ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* 4<sup>th</sup> edition consultation draft published on 2 May 2018**

The information below reports the Company's current position on the key changes proposed in the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* 4<sup>th</sup> edition consultation draft published on 2 May 2018, which is proposed to be effective from 1 July 2019. The Council received 100 submissions on the consultation draft during the consultation period which closed on 27 July 2018. It is anticipated that some changes will be made to the consultation draft before the final document is scheduled to be released in the first quarter of calendar 2019.

<i>Corporate Governance Council recommendation</i> (4 <sup>th</sup> edition consultation draft published 2 May 2018, <i>proposed changes from 3rd edition in blue text</i> )		<i>We have followed the recommendation in full for the whole of the period above. We have disclosed ...</i>
7.2	<p><i>The board or a committee of the board should:</i></p> <p class="list-item-l1">(a) <i>review the entity's risk management framework at least annually to satisfy itself that it continues to be sound <b>and that the entity is operating with due regard to the risk appetite set by the board;</b> and</i></p> <p class="list-item-l1">(b) <i>disclose, in relation to each reporting period, whether such a review has taken place.</i></p>	<p><i>... the fact that board or a committee of the board reviews 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:</i></p> <p><input checked="" type="checkbox"/> <i>in our Corporate Governance Statement</i>  <i>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</i></p> <p><input checked="" type="checkbox"/> <i>in our Corporate Governance Statement</i></p>
8.4	<p><i>A listed entity should only enter into an agreement for the provision of consultancy or similar services by a director or senior executive or by a related party of a director or senior executive:</i></p> <p class="list-item-l1">(a) <i>if it has independent advice that:</i></p> <ul style="list-style-type: none"> <li><i>(i) the services being provided are outside the ordinary scope of their duties as a director or senior executive (as applicable);</i></li> <li><i>(ii) the agreement is on arm's length terms; and</i></li> <li><i>(iii) the remuneration payable under it is reasonable; and</i></li> </ul> <p class="list-item-l1">(b) <i>with full disclosure of the material terms to security holders.</i></p>	<p><i>... the fact that we only enter into an agreement for the provision of consultancy or similar services by a director or senior executive or by a related party of a director or senior executive, should such a situation arise, with independent advice.</i></p>

# Corporate Governance Statement

## 30 June 2018

This Corporate Governance Statement of St Barbara Ltd (the "Company") is for the financial year ended 30 June 2018 and is accurate and up to date as at 31 August 2018 and has been approved by the Board.

### Contents

#### Introduction

#### Key changes to Corporate Governance Framework in this report

#### Principle 1: Lay solid foundations for management and oversight

#### Principle 2: Structure the Board to add value

#### Principle 3: Act ethically and responsibly

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

#### Principle 5: Make timely and balanced disclosure

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

#### Principle 7: Recognise and manage risk

#### Principle 8: Remunerate fairly and responsibly

### Introduction

The Board and Management of the Company are committed to maintaining high standards of ethics, integrity and statutory compliance in all Company dealings, and all dealings of its controlled entities, collectively referred to as the "St Barbara Group".

This report describes the Corporate Governance Framework in place that underpins the delivery of these objectives, and the Company's conformance with the ASX Corporate Governance Council Principles and Recommendations (3<sup>rd</sup> Edition) ("the ASX Principles and Recommendations"), by reference to each of the stated principles.

This report also describes the Company's current position on the key changes contained in the ASX Corporate Governance Council Corporate Governance Principles and Recommendations 4th edition consultation draft published on 2 May 2018, which is proposed to be effective from 1 July 2019.

In addition, important governance information including details on the composition of the Board and Executive Management, Board related charters, and significant Company policies are available on the Company's website at [stbarbara.com.au/about-us/governance/](http://stbarbara.com.au/about-us/governance/).

### Key changes to Corporate Governance Framework in this report

The key changes to the Corporate Governance Framework during the 2018 financial year and included in this report are:

- the scope of the Remuneration Committee was expanded in February 2018 to include the role of a nomination committee, which is reflected in the charter of the Remuneration and Nomination Committee (Principle 2);
- an expanded Board skills and experience matrix (Principle 2).

### Draft 4<sup>th</sup> Edition Principles and Recommendations

The key changes proposed in the ASX Corporate Governance Council Corporate Governance Principles and Recommendations 4th edition consultation draft published on 2 May 2018 and relevant to the Company and included in this report are set out below. The Council received 100 submissions on the consultation draft during the consultation period, which closed on 27 July 2018. It is anticipated that some changes will be made to the draft recommendations, which are proposed to be effective from 1 July 2019. Commentary on the draft recommendations are contained under the relevant Principle.

ASX Draft recommendation	St Barbara status
1.5 Have and disclose a diversity policy (expanded)	complies
3.1 Articulate and disclose its core values	complies
3.2 Have and disclose a code of conduct	complies
3.3 Have and disclose a whistleblower policy	complies
3.4 Have and disclose an anti-bribery and corruption policy	complies
4.4 Have and disclose process for market releases	process complies <sup>1</sup>
5.2 Board to receive copies of all ASX announcements promptly after release	complies
5.3 Release copies of investor and analysts presentation to the ASX ahead of the presentation	complies
6.4 Decide shareholder resolutions by poll rather than a show of hands	complies
7.2 Review annually that the company is operating with due regard to the risk appetite set by the Board	complies
8.4 Disclosure of consultancy services by directors or senior executives	not applicable

<sup>1</sup> Existing process for market releases complies with ASX draft recommendation, however, the Continuous Disclosure & External Communication Policy will be reviewed prior to 1 July 2019

## Corporate Governance Statement

### Principle 1: Lay solid foundations for management and oversight

The role of the Board is to protect and enhance shareholder value, approve the Company's strategic direction, provide Management with guidance and oversight and foster a culture of good governance.

In performing its role, the Board at all times endeavours to act:

- a) in a manner designed to achieve business success and create and continue to build long term value for shareholders;
- b) honestly, fairly and ethically in serving the interests of the Company, its shareholders, employees, and as appropriate, other stakeholders; and
- c) in accordance with the duties and obligations imposed upon Directors by the Board Charter (see below) and the Company's Constitution and applicable law.

The responsibilities of the Board are described in the Board Charter available at [stbarbara.com.au/about-us/governance/](http://stbarbara.com.au/about-us/governance/). Management is responsible for the day-to-day operation of the Company, which it undertakes within a framework of specific delegated authority and approval limits.

The Board undertakes appropriate checks before appointing a person as a Director, or putting forward to shareholders a candidate for election as a Director. The company has a written agreement with each Director and senior executive.

The Company Secretary is accountable to the Board, through the Chairman, on all governance matters and the proper functioning of the Board. All Directors have a right of access to the Company Secretary. The Company Secretary is appointed and dismissed by the Board.

#### Diversity

The Company's Diversity Policy is available on the Company's website at [stbarbara.com.au/about-us/governance/](http://stbarbara.com.au/about-us/governance/). The Policy is reviewed by the Board annually to ensure it remains appropriate and is operating effectively.

#### Diversity Objectives at 30 June 2018

Diversity objectives, progress against the objectives, and management plans to achieve the objectives are reviewed and approved by the Remuneration and Nomination Committee annually. The measurable diversity objectives endorsed by the Board during the 2018 financial year, and the progress made against those objectives during the 2018 financial year, are as set out below.

Objective	Description	Target <sup>1</sup>	Actual			
			2014	2015	2016	2017
1 Increase the proportion of women employed in Australian operations	30% by 2022	24%	24%	23%	21%	24%
2 Increase the proportion of women employed in PNG operations	15% by 2022	14%	12%	13%	14%	14%
3 Increase the proportion of Aboriginal employees at Leonora Operations (Western Australia)	5% by 2020	2%	2%	1%	4%	4%
4 Reduce the Overall Gender Pay Gap <sup>2</sup>	8% by 2022	11%	13%	16%	14%	14%
5 Maintain nil gender pay gap for 'like-for-like' roles <sup>3</sup>	maintain Nil	Nil	Nil	Nil	Nil	Nil
6 Maintain the percentage of women who return to work <sup>4</sup> after a period of Maternity Leave	maintain 80%	88%	100%	100%	100%	100%
7 Maintain the proportion of women Non-Executive Directors on the Board <sup>5</sup>	maintain 33%	40% <sup>6</sup>	20% <sup>7</sup>	33%	33%	33%

1. All objectives are for St Barbara's Australian Operations and offices, except for Objectives 2 and 3.
2. The 'Overall Gender Pay Gap' is calculated according to the WGEA guidelines ([www.wgea.gov.au](http://www.wgea.gov.au)), and represents the difference between the average pay for all male employees and the average pay for all female employees across the whole organisation.
3. The 'like for like' gender pay gap measures the difference in base salary over the year between male and female employees in comparable roles.
4. The method for calculating this objective has changed. From and including 2017 this objective is measured on a rolling 5-year basis (as reported in the table above). Up to and including 2016, this objective was measured on a cumulative basis since 2007, and the comparative figures previously reported on this basis are: 2014: 71%, 2015: 73%, 2016: 82%.
5. This target reflects the reduced size of the Board from 1 July 2015 and notes the 2015 AICD initiative for ASX 200 Companies to increase the proportion of women their boards to 30 percent by 2018.
6. Ms Donaghey resigned as a Director on 30 June 2014, reducing this result to 25% on 1 July 2014.
7. Two Directors resigned on 30 June 2015, increasing the result to 33% on 1 July 2015.

## Corporate Governance Statement

The 'Overall Gender Pay Gap' is calculated according to the WGEA guidelines ([www.wgea.gov.au](http://www.wgea.gov.au)), and represents the difference between the average pay for all male employees and the average pay for all female employees. St Barbara also targets a 0% gender pay gap for 'like for like' roles, that is, paying the same for men and women in comparable roles. As in previous years set out in the table above, there was no gender pay gap in 'like for like' roles again for 2018.

The following tables show the number of men and women on the Board, in Executive roles and in the workforce:

### Gender Statistics at 30 June 2018

	Total	No. of Men	% Men	No. of Women	% Women
Board <sup>1</sup>	4	3	75	1	25
Senior Executives <sup>2</sup>	3	3	100	0	0
Whole Organisation <sup>3</sup>	229	175	76	54	24

1. From and including 2018, the Board is reported as including the role of Managing Director & CEO.

2. Senior Executives are as reported in the Remuneration Report: Managing Director & CEO, Chief Financial Officer, Company Secretary.

3. Whole organisation includes the Managing Director & CEO and Board members and does not include Pacific Operations.

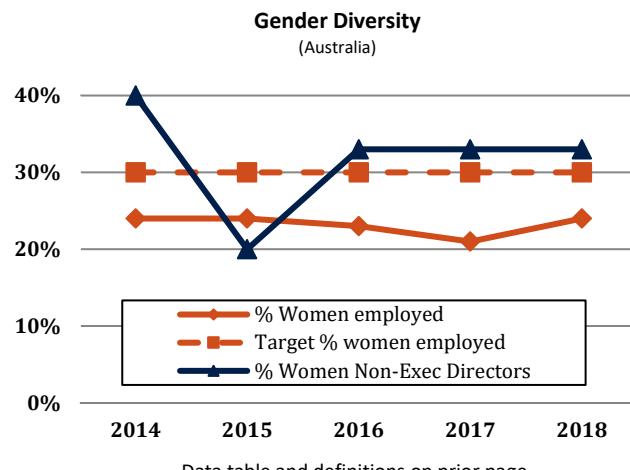
### Gender Statistics at 30 June 2017

	Total	No. of Men	% Men	No. of Women	% Women
Board <sup>1</sup>	3	2	67	1	33
Senior Executives <sup>2</sup>	2	2	100	0	0
Whole Organisation <sup>3</sup>	218	172	79	46	21

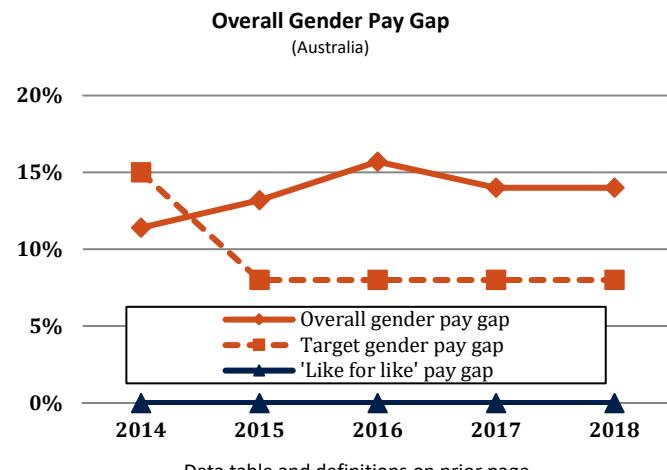
1. Until and including 2017, the Board is reported as excluding the role of Managing Director & CEO.

2. Senior Executives are as reported in the Remuneration Report: Managing Director & CEO, Chief Financial Officer.

3. Whole organisation includes the Managing Director & CEO and Board members and does not include Pacific Operations.



Data table and definitions on prior page



Data table and definitions on prior page

## **Corporate Governance Statement**

In accordance with the Workplace Gender Equality Act (2012), the Company submitted its annual public report to the Workplace Gender Equality Agency during the year. A copy of the report is available on the Company website at [stbarbara.com.au/wp-content/uploads/2018/07/2018.07.10-shareholder-notice-workplace-gender-equality-act-2017-18-public-report.pdf](http://stbarbara.com.au/wp-content/uploads/2018/07/2018.07.10-shareholder-notice-workplace-gender-equality-act-2017-18-public-report.pdf).

Bob Vassie, Managing Director & CEO, has been a ‘pay equity ambassador’ of the Workplace Gender Equality Agency pay equity campaign since September 2014.

St Barbara received the 2017-18 Workplace Gender Equality Agency Employer of Choice for Gender Equality (EOCGE) citation in February 2018, having previously received this citation in 2014, 2015 and 2016.

### Board Performance Review

The Chairman leads a review of the performance of the Board and Board Committees annually, pursuant to the Board’s Charter. Where appropriate, the Chairman may seek assistance from an external consultant.

The Chairman and Directors regularly discuss the performance and composition of the Board and Committees during the year, and promptly address any issues as they arise.

In 2016, the Board introduced an online, confidential Annual Board Performance Review questionnaire as part of its Board performance review, which assessed the Board’s effectiveness and that of its committees. The questionnaire was administered by the Company Secretary, and completed by Directors and senior managers who attend Board meetings. The questionnaire was undertaken again in 2018.

The questionnaire comprises 97 questions in 9 topic areas (plus an assessment of each Board committee) ranked on a 6 point scale (from ‘very satisfied’ to ‘very unsatisfied’), plus 15 open ended questions seeking additional comment.

The nine topic areas are:

- creating an effective board
- running an effective board
- director professional development
- strategic foresight
- stewardship
- performance evaluation
- managing management
- value creation
- corporate culture.

The results of the questionnaire were collated by the Company Secretary and considered by the Board. The results formed the basis of a comprehensive review of the Board’s performance, which concluded that the Board and its committees were functioning well.

The overall average result for 2018 was 1.7 (2017: 1.6), indicating an overall assessment between ‘satisfactory (1.0)’ and ‘very satisfactory (2.0)’. There were no negative responses (i.e. ‘very unsatisfied’ or ‘unsatisfied’) to any individual question. The Board’s main focus were individual questions and topic areas below the average result, noting that the lowest topic area scored 1.3, or above ‘satisfactory’.

Opportunities for improvement noted in the 2017 questionnaire were addressed during the year, including scheduling quarterly meetings for Non-Executive Directors and providing a central repository in the Director’s on-line portal for director education materials.

The outcomes from the 2018 Performance Review will be implemented over 2018 (some have already been actioned). These include seeking to increase the Board by one Non-Executive Director, some collective professional development as a Board, monitoring industry developments more closely and increased focus on directing and monitoring corporate culture.

Directors provide confidential feedback on the performance of individual Non-Executive Directors annually via a questionnaire administered by the Company Secretary.

The topic areas of the individual Director performance review include:

- an overall rating of their effectiveness and contribution as a Director
- their major strengths
- their areas for development
- any aspects of their performance to be addressed
- any other comments on their performance as a Board or Committee member.

The Chairman used this information and their own review of the individual performance and contribution to the Board and Committees of each Non-Executive Director, and discussed the outcomes with each Director. The Chair of the Remuneration and Nomination Committee received feedback from Directors on the performance of the Chairman of the Board, and discussed the outcomes with the Chair of the Board.

### Performance of Executives

The performance of each executive is formally assessed each year under the Company’s performance appraisal system and reviewed by the Board. Further details, including the linkage to remuneration, are contained in the Remuneration Report, which is included in the Annual Report and available at [stbarbara.com.au/investors/annual-reports/](http://stbarbara.com.au/investors/annual-reports/).

## Corporate Governance Statement

### Principle 2: Structure the Board to add value

#### Independence

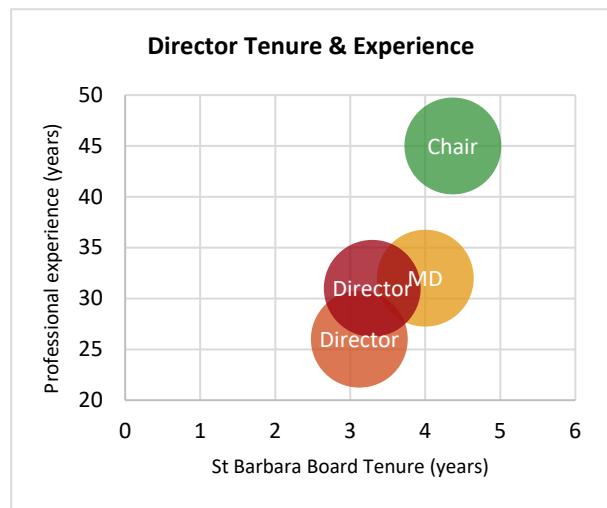
It is Board policy that a majority of Non-Executive Directors, including the Chairman, should be independent and free of any relationship that may conflict with the interests of the Company.

Each Director is required to provide advance notice of any actual or potential conflict of interest relating to business planned to be considered by the Board. Declaration of Director's interests is a standing agenda item at the start of each Board meeting. Directors who have declared a potential or real conflict of interest on a particular issue may be excluded from all relevant Board deliberations, and from voting on that issue.

In assessing the independence of Directors, the Board considers the materiality of any transactions during the year relative to both the Company and any third party with which a Director is associated. All current Non-Executive Directors, including the Chairman, are considered to be independent. No Directors have an interest, position, association or relationship that may cause doubts regarding their independence. The Managing Director and CEO is the only Executive Director on the Board.

#### Composition of the Board of Directors

The Board periodically reviews its own composition, skill set and capability. The Board considers that the size, nature, scope and location of the Company's operations require a mix of skills broadly technical, financial and commercial in nature and with a focus on natural resources. Specifically those skills should include governance, capital management and capital markets, mining and exploration, health, safety and environment, strategic planning, remuneration and policy. In addition, Directors are required to have a high level of problem solving and decision making skills and the ability to work constructively as a member of a high performing team.



In seeking to ensure that the Board composition reflects and meets those needs, a broad diversity among directors is also sought based on age, gender and professional background, qualifications and experience. The Board assesses candidates against a range of specific criteria, including their experience, background, qualifications and professional skills, potential conflicts of interest, the requirement for independence and the existing collective skill sets of the Board.

In 2018, the Board appointed a worldwide executive search firm to identify an additional Non-Executive Director to complement the skills and experience of the existing Directors, which would increase the number of Directors on the Board from four to five. This process was continuing at the date of this report.

The Company has an induction program for new Directors, and encourages and supports Directors to maintain appropriate professional development.

#### Board structure

The Directors in office and the composition of Board Committees at the date of this report are:

Director	Appointed	Length of service (whole years to 30 June 2018)	Board	Audit & Risk Committee	Health, Safety, Environment & Community Committee	Remuneration & Nomination Committee
Tim Netscher	17 Feb 2014 <sup>1</sup>	4 years	Chairman	Member	Chair	Member
Bob Vassie	1 Jul 2014	4 years	MD & CEO	-	- <sup>2</sup>	-
David Moroney	16 Mar 2015	3 years	Director	Chair	Member	Member
Kerry Gleeson	18 May 2015	3 years	Director	Member	Member	Chair

Details of each current Director's skills, qualifications, experience, relevant expertise and date of appointment are set out in the Directors' Report, which is included in the Annual Report and available at [www.stbarbara.com.au/investors/annual-reports/](http://www.stbarbara.com.au/investors/annual-reports/).

<sup>1</sup> Appointed as Director 17 February 2014, appointed as Chairman 1 July 2015.

<sup>2</sup> HSEC Committee Charter amended in February 2018 such that only Non-Executive Directors can be members. MD & CEO attends by invitation.

## Corporate Governance Statement

### Board Skills and Experience Matrix

The Board skills and experience matrices reflect the skills and experience of the Directors in office at the date of this report (as shown in the previous table).

Board Skills and Experience Matrix		Total	Total		
<b>Senior management experience</b>					
CEO / MD	– resources	2	Economics	1	
CFO / Finance	– resources	1	Engineering	– Chemical / Metallurgy	1
	– other industries	1		– Mining	1
COO / Operations	– resources	2	Finance	1	
Other C-Level Mgt	– resources	3	Law	1	
	– other industries	1	MBA	1	
Company Secretary	– other industries	1	AICD Member, Graduate or Fellow	4	
<b>Geographic experience</b>					
Resources	– Australia	4	<b>Relevant professional experience</b>		3
	– developed countries	4	30 + years	1	
	– developing countries	4	20 to 30 years		
<b>Directorships (current and previous)</b>					
Industry	– resources	4	<b>Demographics</b>		1
	– other industries	2	Female		
Tenure	– 10 + years	3	Male	3	
	– under 10 years	1			

### Summary of Directors' skills & experience

Skills and experience	Criteria (at least one to apply)	Total
<b>Corporate</b>		
• Governance, culture & values	• Former or current executive role with direct involvement in development and maintenance of governance structure • Former or current non-executive role with another company with direct involvement in development and maintenance of governance structure (at least 3 years)	4
• Capital markets, mergers & acquisitions	• Proven experience with M&A in executive or non-executive capacity • Proven experience with capital raisings in executive or non-executive capacity • Current or former corporate advisory role	4
• Audit and corporate finance	• Professional qualification in accounting • Former CFO role • Professional experience in corporate finance	2
• Legal	• Current or former practicing lawyer • Current or former general counsel	1
• Remuneration	• Former or current executive role with direct involvement in remuneration practices • Current or previous member of another company's remuneration committee (at least 3 years)	4
• Risk management	• Former or current executive role with direct involvement in risk management • Expertise in risk management • Current or previous member of another company's risk management committee (at least 3 years)	4
• Stakeholder relations	• Former or current executive role in stakeholder relations • Former or current non-executive director experience in stakeholder relations	4

**Corporate Governance Statement****Summary of Directors' skills & experience (continued)**

<b>Skills and experience</b>	<b>Criteria</b> (at least one to apply)	<b>Total</b>
<b>Operations</b>		
• Materials	• Former or current executive role in the materials sector • Expertise in exploration, development, processing, production minerals & chemicals	4
• Mining & engineering	• Former or current technical mining executive role • Technical work experience • Degree in Engineering (Mining, Chemical)	2
• Exploration	• Former or current executive responsibility for resource development and exploration program	2
• Environment & community	• Former or current executive role with direct control and responsibility for environment and community • Current or previous member of another company's environment and community committee (at least 3 years) • Proven knowledge of global environmental management • Executive experience in community relations	4
• Health & safety	• Former or current executive role with direct control and responsibility for health & safety • Former or current role with direct accountability for health & safety in the same industry • Current or previous member of another company's health & safety committee (at least 3 years)	4
• Public Policy	• Direct engagement in executive or non-executive capacity with national, provincial and local government • Current or previous direct participation in executive or non-executive capacity in industry bodies on public and government policy	4
• International	• Current or former executive role in an overseas market where the company has operations • Current or recent non-executive role in an overseas market where the company has operations • Proven knowledge of the overseas markets in which the company operates	4

Board Committees

The Board has established a number of standing Board Committees to provide a forum for a more detailed analysis of key issues and interaction with Management. Each Committee reports its recommendations to the next Board meeting. The current Committees are:

- Audit and Risk Committee
- Health, Safety, Environment and Community Committee, and
- Remuneration and Nomination Committee.

The charter for each Committee is available at [stbarbara.com.au/about-us/governance/](http://stbarbara.com.au/about-us/governance/).

In addition, a special purpose Board Committee may be established for a particular set of circumstances, as appropriate. One such committee is the ad-hoc Proposal Committee, which is utilised to consider potential transactions from time to time.

Audit and Risk Committee

The Audit and Risk Committee comprises at least three members, all of whom are independent Non-Executive Directors, and it is chaired by an independent Director who is not the Chair of the Board.

The role of the Audit and Risk Committee is to assist and advise the Board on matters relating to:

- a) financial reporting
- b) risk management

- c) evaluation of the effectiveness of the financial control environment
- d) review of the internal and external audit functions, and
- e) review of the Mineral Resource and Ore Reserve estimation processes.

The MD & CEO attends Audit & Risk Committee meetings by invitation.

Health, Safety, Environment and Community Committee

The role of the Health, Safety, Environment and Community (HSEC) Committee is to assist and advise the Board on matters relating to:

- a) promoting a safety conscious culture throughout the Company
- b) reviewing health, safety, environment and community policies, objectives, strategies and plans, and
- c) monitoring compliance with health, safety, environment and community regulatory requirements.

The HSEC Committee Charter was amended in February 2018 such that only Non-Executive Directors can be members of the Committee, consistent with the other Board committees. The MD & CEO attends HSEC Committee meetings by invitation.

## **Corporate Governance Statement**

### Remuneration & Nomination Committee

Following a Board initiated review of the scope of the Remuneration Committee, the scope of the Remuneration Committee was expanded in February 2018 to include the role of a nomination committee, consistent with the ASX Corporate Governance Council recommendation to have a nomination committee.

The revised Remuneration and Nomination Committee comprises at least three members, all of whom are independent Non-Executive Directors, and it is chaired by an independent Director who is not the Chair of the Board.

The primary role of the Remuneration and Nomination Committee is to assist and advise the Board on matters relating to:

- a) the overall remuneration strategies and policies of the Company
- b) the remuneration of the Managing Director & CEO, their senior executive direct reports, employees of the Company, and Non-Executive Directors
- c) matters relating to the composition, structure, succession planning and performance of the Board.

### Attendance at meetings and engagement with the business

Details of the number of scheduled meetings of the Board and each standing Committee during the year, and each Director's attendance at those meetings, are set out in the Directors' Report. Every Director has a standing invitation to attend any Committee meeting and to receive Committee papers.

All Directors visit St Barbara's mining operations periodically and meet with Management regularly to gain a better understanding of the Company's business.

### Independent professional advice and access to Company information

As specified in the Board Charter and individual letters of appointment, Directors have the right of access to all Company information and to the Company's Management. Subject to prior consultation with the Chairman, Directors may seek independent advice, at the Company's expense, on any issue of particular concern from a suitably qualified adviser.

Procedures are in place to record and publicly report each Director's shareholdings in the Company.

### **Principle 3: Act ethically and responsibly**

#### Values

The Company has implemented a formal set of behavioural values designed to uphold high standards of integrity and work performance for the Board, Management, employees, and other members of the work force. The Company's values are:

- We act with honesty and integrity
- We treat people with respect
- We value working together
- We deliver to promise
- We strive to do better

#### Culture

The Company defines culture as the shared values, norms and expectations that govern the way people approach their work and interact with each other – 'it's the way things are done around here'.

The Company describes its culture as 'talented people who achieve extraordinary results based on the foundation of our Values.'

The Company regularly reviews how to sustain and enhance its culture. The Company's management of culture is largely consistent with the 'drivers of good culture' identified by ASIC<sup>1</sup> and reinforced in 'Managing Culture, a good practice guide'<sup>2</sup>, which are:

- tone from the top
- cascading values to the rest of the organisation
- translating values into business practice
- accountability
- effective communication and challenge
- recruitment, training and rewards
- governance structure.

The Company has commenced aggregating and reporting existing disparate indicators of culture as a culture scorecard to the Board on a regular basis, which will be refined over time. Initial indicators include selected safety statistics, employee turnover, whistleblower and employee grievance submissions, employee engagement results, and measurable feedback from recruitment and exit interviews.

#### Leadership framework

The Company has defined and revised over several years a combination of tools, models and principles, which are summarised in a leadership framework. The leadership framework guides leadership training throughout the organisation, and is predicated on the Company's values, with the first expectation that 'leaders always demonstrate behaviour consistent with the St Barbara values'.

1 'The importance of corporate culture', a speech by Greg Medcraft, Chairman, Australian Securities and Investments Commission, 5 April 2017

2 *Managing Culture: a good practice guide*, IIA Australia, The Ethics Centre, Governance Institute, Chartered Accountants ANZ, December 2017

## Corporate Governance Statement

### Conduct and training

Employees and contractors are accountable for their conduct consistent with the Values and in accordance with a range of Company policies and procedures, collectively known as the 'Code of Conduct', set out below. These policies and procedures include:

- anti-bribery and anti-corruption
- continuous disclosure and
- diversity and equal opportunity
- environment
- health and safety
- risk management
- trading in Company securities.

Employees and contractors are made aware of acceptable behaviour through induction programs, on-going training and development and contact with senior staff who are encouraged to lead by example.

The Company also has policies, training, systems and registers to manage:

- conflicts of interest and related parties
- donations, sponsorships and community programs
- securities dealing
- grievances, including fair treatment and whistleblower processes.

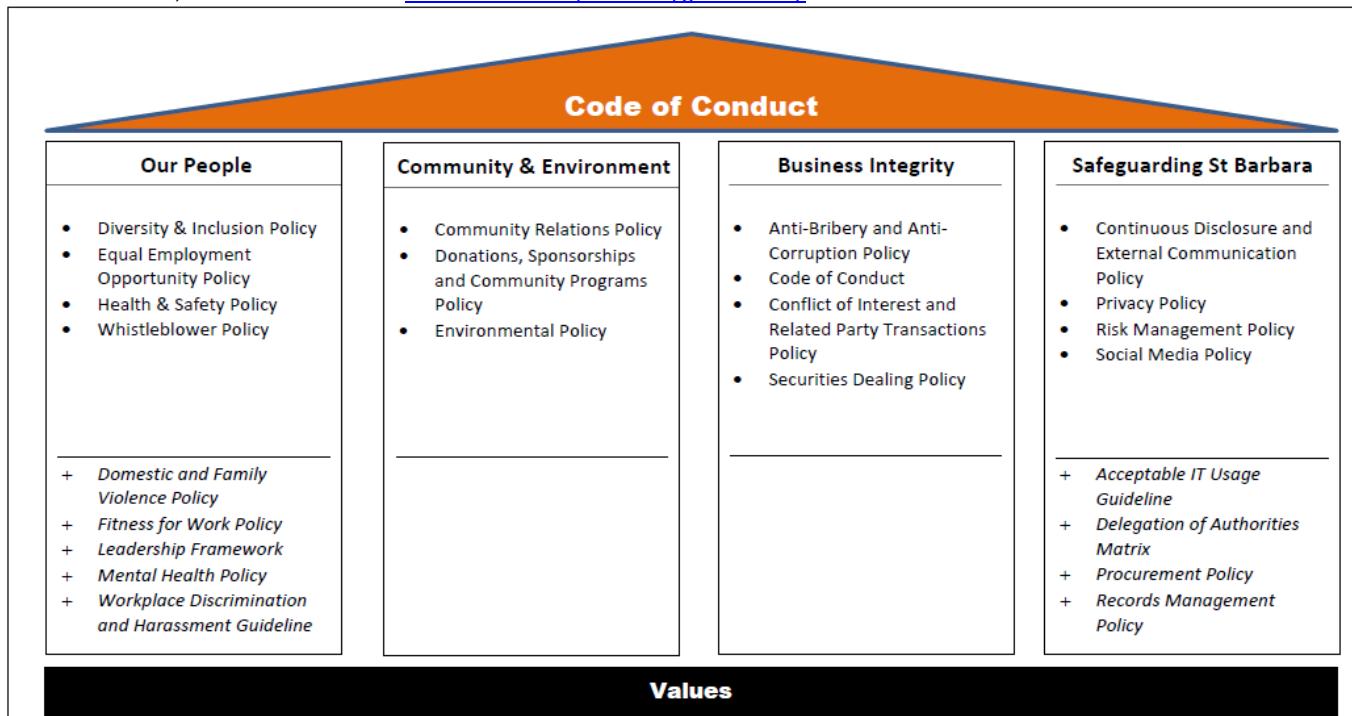
Each of the above systems has escalation processes to alert senior management and the Board as appropriate, including of any material breaches of the Values, Code of Conduct, and Anti-Bribery and Anti-Corruption Policy that would call into question the culture of the organisation, including a breach by a Director or Executive.

Whistleblower reports are managed according to a comprehensive and confidential whistleblower management system. The Board is informed of any material concerns arising from whistleblower reports, whilst preserving the confidentiality of the whistleblower.

The Company Secretary is responsible for investigating any reports of unethical practices and reporting the outcomes to the Managing Director & CEO or the Board, as appropriate. The St Barbara legal department reviews all anti-bribery and anti-corruption entries in the Gifts and Hospitality Register, Conflicts of Interest Register and Donations, Sponsorships and Community Investments Register and reports to the Board on a quarterly basis.

### **Code of Conduct**

The Company has a Code of Conduct. At the time of publication of this document, the Code of Conduct includes the following policies and related documents, which are available at [stbarbara.com.au/about-us/governance/](http://stbarbara.com.au/about-us/governance/)



● = Policy published on [www.stbarbara.com.au](http://www.stbarbara.com.au)

○ = Document in preparation

+ = Internal document published on ROCKi

## Corporate Governance Statement

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

The Company has an Audit and Risk Committee which functions include responsibility on behalf of the Board for reviewing the integrity of financial reporting. The composition and role of the Audit and Risk Committee are set out under 'Principle 2: Structure the Board to add value'. The Audit and Risk Committee reviews the principles governing the Company's relationship with its external auditor.

Current auditor PricewaterhouseCoopers was appointed by Shareholders as the auditor of the Company at the 2016 Annual General Meeting following a thorough tender process. Full details are set out in the Notice of 2016 Annual General Meeting issued on 21 October 2016. The external auditor attends the Annual General Meeting and is available to answer questions in relation to the audit of the financial statements.

Before approving the Company's financial statements the Board receives from the MD & 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.

Under the Company's Continuous Disclosure and External Communications Policy, the Board has appointed specific Executives as 'disclosure officers' to ensure that Company announcements (including the annual directors' report) are accurate, balanced and understandable and provide investors with appropriate information to make informed investment decisions. The disclosure officers coordinate the form of disclosure and verify the accuracy of the information contained in announcements. Where necessary and possible, the disclosure officers consult on announcements with the Chairman of the Board and Directors available at that time.

### **Principle 5: Make timely and balanced disclosure**

St Barbara seeks to provide relevant up-to-date information to its shareholders and the broader investment community in accordance with the continuous disclosure requirements of the ASX Listing Rules and Corporations Act 2001 (Cth).

The Company has a Continuous Disclosure Policy available at [stbarbara.com.au/about-us/governance/](http://stbarbara.com.au/about-us/governance/) to ensure that information considered material to the share price is lodged with the ASX as soon as practicable and within ASX Listing Rule timelines.

Other relevant information, including Company reports, presentations and announcements, are subject to a structured process of internal review described in the Continuous Disclosure and External Communications Policy, disclosed to the ASX and posted on the Company's website at [stbarbara.com.au/investors/](http://stbarbara.com.au/investors/).

Information published on the website includes:

- ASX announcements
- quarterly, half year and annual reports
- ore reserves and mineral resources statements
- presentations
- webcasts.

The Company releases announcements and presentation materials containing new or market sensitive material to the ASX prior to the time of the corresponding presentation to analysts, investors or conference. Following confirmation of release of such materials by the ASX, the materials are published on the Company's website and circulated to St Barbara subscribers. The Company makes announcements available to Directors promptly after receiving confirmation from the ASX that an announcement has been released to the market.

Presentation materials that do not contain new or market sensitive material are published on the website and circulated to St Barbara subscribers at the time they are made available to the relevant event.

The Company reports on its environmental, social and governance [ESG] performance in a separate Sustainability Report, available at [stbarbara.com.au/sustainability/](http://stbarbara.com.au/sustainability/).

## Corporate Governance Statement

### Principle 6: Respect the rights of shareholders

The Company maintains information about itself at [stbarbara.com.au](http://stbarbara.com.au) and about its governance at [stbarbara.com.au/about-us/governance/](http://stbarbara.com.au/about-us/governance/).

The Company engages regularly with shareholders in Australia and overseas and conducts regular analyst briefings which for key announcements are simultaneously webcast and available for subsequent review at [stbarbara.com.au/investors/webcast/](http://stbarbara.com.au/investors/webcast/). These activities are supported by the publication of the Annual and Half Year Reports, Quarterly Reports, public announcements and the posting of ASX releases on the Company website promptly after their disclosure on the ASX. Shareholders can elect to receive email notification of announcements by subscribing at [stbarbara.com.au/contact/subscribe/](http://stbarbara.com.au/contact/subscribe/).

Shareholders are encouraged to attend the Annual General Meeting and any other meetings of shareholders, to use the opportunity to ask questions and personally vote on shareholder resolutions. All resolutions at the Annual General Meeting are decided on poll, and have been decided on poll since 2014. Shareholders are welcome to contact the Company at any time. Contact details are published at [stbarbara.com.au/contact/](http://stbarbara.com.au/contact/).

### Principle 7: Recognise and manage risk

Risk assessment and management are central to how the Company conducts its business through an enterprise-wide risk management framework, which delivers enhanced risk reporting and control mechanisms designed to ensure that strategic, operational, legal, reputational, financial and other risks are identified, assessed and managed.

The Company's Audit and Risk Committee role includes the oversight of risk management. The composition and role of the Audit and Risk Committee are set out under 'Principle 2: Structure the Board to add value'.

The financial reporting and control mechanisms are reviewed during the year by Management, the Audit and Risk Committee, the internal audit function and the external auditor. The Company has an internal audit function to review, independently of the external auditor, key financial controls and systems. That function is managed by an independent accounting firm, which reports directly to the Audit and Risk Committee.

The Company has policies to manage risk in areas including Health and Safety, Environment and Equal Employment Opportunity. The Board regularly reviews the high-level risks within the business and the effectiveness of the Company's management of those risks.

A summary of material business risks faced by the Company that may have an impact on the operating and financial prospects of the Company, including economic, environmental and social sustainability risks, is included in the Directors' Report, which is included in the Annual Report and available at [stbarbara.com.au/investors/annual-reports/](http://stbarbara.com.au/investors/annual-reports/).

The Audit and Risk Committee reviews the entity's risk management framework 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. The risk management framework was most recently reviewed by the Audit and Risk Committee during the 2018 financial year.

## Corporate Governance Statement

### **Principle 8: Remunerate fairly and responsibly**

The Remuneration and Nomination Committee provides recommendations to the Board on the remuneration of the Managing Director & CEO, other senior executives and Non-Executive Directors. The composition and role of the Remuneration and Nomination Committee are set out under ‘Principle 2: Structure the Board to add value’. The Committee also reviews and approves all remuneration consultancy contracts for key management personnel remuneration and receives any remuneration recommendations.

#### Non-Executive Remuneration

The remuneration of the Non-Executive Directors is in the form of fixed fees consistent with their independence and impartiality. There are no retirement benefits paid to Non-Executive Directors. Independent expert remuneration advice is considered from time to time in determining remuneration for the Chairman and Non-Executive Directors, respectively.

#### Executive Remuneration

The Remuneration and Nomination Committee provides recommendations to the Board on all aspects of executive remuneration including fixed remuneration, and performance based at-risk, short-term incentives and long-term incentives. The Committee utilises independent expert advice and surveys as appropriate to benchmark remuneration against contemporary resources industry data.

Further details of Director and Executive Management remuneration for the 2018 financial year are set out in the Directors’ Report, which is included in the Annual Report and available at [stbarbara.com.au/investors/annual-reports/](http://stbarbara.com.au/investors/annual-reports/).

#### Consultancy Services

No current or former Director, Executive or their related party is engaged for the provision of consultancy or similar services (in addition to their role as a Director or Executive). No consultancy or similar services would be entered into with a current or former Director, Executive or their related party without appropriate independent advice or full disclosure of material terms.