



SUSTAINABILITY AND RISK COMMITTEE CHARTER

INDEPENDENCE GROUP NL





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1. INTRODUCTION

The Board of Directors (the **Board**) of Independence Group NL (**IGO or the Company**) has resolved to establish a Sustainability and Risk Committee of the Board (the **Committee**).

The Board has approved this Charter, which prescribes the roles and responsibilities, composition, structure and membership requirements for the Committee.

2. ROLE

The primary role of the Committee is to assist the Board with overseeing and monitoring the Company's Risk Management System (including its related bodies corporate as defined in the *Corporations Act (Cth) 2001*).

Note: Financial risk management is separately monitored and reviewed by IGO's Audit Committee.

3. AUTHORITY

Within the scope of its responsibilities, the Committee is generally authorised to:

- consult with and seek any information from any Director or employee of IGO or any external party;
- obtain (at IGO's expense) professional advice from external consultants or specialists as it considers necessary to assist the Committee in meeting its responsibilities; and
- require the attendance of any IGO employee at Committee meetings.

4. MEMBERSHIP

Committee members are appointed by the Board until the Board, in its absolute discretion, determines otherwise. The Board may appoint additional Directors to the Committee and may remove or replace members of the Committee by ordinary resolution. The Committee should be of sufficient size, independence and its members between them have the necessary technical expertise and sufficient understanding of the industry in which IGO operates to discharge its mandate effectively.

The Committee may include Executive and Non-Executive Directors.

The Committee must contain:

- a majority of independent Directors; and
- at least three members of the Board.

Members of the Committee may withdraw from the Committee by notifying the Board in writing.

The Chairman of the Committee (**the Committee Chair**) must be an independent Non-Executive Director and may be the Chairman of the Board of Directors. If the Committee Chair is unable to attend a Committee meeting, the Committee members present at that meeting must appoint a Committee member to chair the meeting.

Other directors who are not Committee members may attend meetings of the Committee should they wish and are entitled to receive all Committee papers. Selected members of management may attend meetings of the Committee by invitation.

5. DUTIES AND RESPONSIBILITIES

5.1 Risk Management

The Committee must:

- oversee and review (at least once annually) the Company's Risk Management System to ensure its effectiveness. Specifically, it should be expected that the Risk Management System addresses risks which may materially:
 - impede the Company from realising its Purpose and delivering its Strategic Plan;
 - impact on the Company's performance;
 - affect the health, safety or welfare of employees, visitors, communities and others in relation to the Company's operations;
 - impact on the community and the environment in which the Company operates (inclusive of climate change);
 - impact on insurance arrangements;
 - threaten compliance with the Company's statutory obligations;
 - impact on the Company's reputation, or that of its people; and
 - result in personal liability for Company officers arising from the Company's operations.
- oversee the development and approval of a position statement on risk appetite in relation to Business Critical Risks and the definition of materiality. This is to be captured in the Company's Risk Management Policy and associated Standards;
- ensure that management has controls in place for unusual types of transactions and/or any potential transactions that may carry more than an acceptable degree of risk;
- review at least biannually the Company's current Business Critical Risks and their associated treatment strategies; and
- review and report to the Board on the risk management disclosure in the Company's Annual Report, and all other risk management information published by the Company or released to the market.

5.2 Internal Audit

The Committee must:

- require that the auditors include in their reports a statement providing assurance that no unjustified restrictions or limitations were placed on their access to the information and people as reasonably required to provide the audit service;
- approve the annual internal audit plan and all major changes to the plan.
- review material issues arising from internal audits;
- annually review the internal audit budget and process; and

- meet separately with an internal auditor if the committee or internal auditor believes there are substantive matters to be discussed privately.

5.3 Compliance

The Committee must:

- review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance;
- review the findings of any examinations by regulatory agencies, and any auditor observations and;
- obtain regular updates from management and company legal counsel regarding compliance matters.

5.4 Internal Control

The Committee must:

- consider the effectiveness of the company's internal control system, including information technology security and control; and
- understand the scope of reviews of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

5.5 Fraud Control

The Committee must:

- evaluate the Company's exposure to fraud and oversee investigations of allegations of fraud or malfeasance in collaboration with the Board Audit Committee;

5.6 Sustainability

The Committee must review and report to the board on the Company's Annual Sustainability Report.

6. ADMINISTRATIVE MATTERS

The Committee will meet four times per year. A quorum consists of the lesser of two members or a majority of members of the Committee.

The Company Secretary will attend all Committee meetings as Minute Secretary. All minutes of the Committee will be entered into a Minute Book maintained for that purpose and will be open at all times for inspection by any Director. The minutes of a Committee meeting will be circulated to all Directors.

The Company will disclose this Charter on its website and will disclose the following in its Annual Corporate Governance Statement:

- Committee membership;

- the number of times the Committee has met during the financial year;
- the individual attendances of members at Committee meetings;
- whether the Risk Management Framework has been reviewed during the financial year including any insights gained from the review(s) and any changes to the Risk Management Framework as a result of the review(s); and
- whether it has any material exposure to economic, environmental or social sustainability risks, and how the Company manages or intends to manage these risks.

7. REPORTING

The Committee will report to the Board on all matters relevant to the Committee's roles and responsibilities, including to:

- assess whether external reporting is consistent with Committee members' information and knowledge and whether it is adequate for shareholder needs;
- assess the management processes supporting external reporting; and
- provide the results of the Committee's review of risk management and internal control systems.

The report will include details of meeting agendas, papers and minutes of the Committee.

The Committee Chair will also, if requested, provide a brief oral report as to any material matters arising out of the Committee meeting. All directors will be permitted, within the Board meeting, to request information of the Committee Chair or members of the Committee.

8. REVIEW

The Board will, at least once in each year, review the membership, performance and Charter of the Committee to ensure it remains consistent with the Board's objectives and responsibilities.

9. CONTACT DETAILS

If you are in any doubt regarding this Standard, you should contact the Company Secretary at

Independence Group NL, PO Box 496, South Perth, WA 6151

Phone: 08 9238 8300

Email: contact@igo.com.au , Attention: the Company Secretary