

# CHAMPION IRON

## CHAMPION IRON LIMITED BOARD CHARTER

This charter sets out the role and responsibilities of the Board of Directors (the “Board”) of Champion Iron Limited (the “Company”), taking into account the ASX Corporate Governance Principles and Recommendations and National Policy 58-201 - Corporate Governance Guidelines and in compliance with applicable laws and regulations and the Constitution of the Company.

### Composition

The composition of the Board is determined using the following principles:

- A majority of the directors must be independent, and must possess a broad range of business expertise; and
- Directors should bring characteristics which allow a mix of qualifications, skills, experience, expertise and diversity on the Board.

Membership of the Board shall be disclosed in the Company’s annual report and management proxy circular, including whether a director is independent or not independent. Loss or gain of independence shall be disclosed as applicable.

In determining whether a director is independent, the Board shall consider whether the director has a direct or indirect relationship with the Company which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director’s independent judgement and whether the director complies with the other independence requirements set forth in the ASX Corporate Governance Principles and Recommendations and National Instrument 52-110 - *Audit Committees*.

The Board has developed a Board skills matrix to assist in the assessment of the skills of the Board and the identification of any gaps in the skill set of the Board that is required to be filled. The Board skills matrix shall be reviewed and updated periodically as deemed necessary by the Board.

### Role of the Board

The Board’s primary role is to manage or supervise management of the business and affairs of the Company. To fulfil this role, the Board is responsible for the stewardship of the Company, oversight of the management and the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

The Board operates within the broad principles and responsibilities described in the following:

- Setting the strategic aims of the Company and overseeing management’s performance within that framework.
- Making sure that the necessary resources (financial and human) are available to the Company and its senior executives to meet its objectives.

- Overseeing management's performance and the progress and development of the Company's strategic plan.
- Selecting and appointing suitable directors with the appropriate skills to help the Company in the pursuit of its objectives.
- Succession planning, including appointing, training and monitoring senior management.
- Determining the remuneration policy for the Board members and senior management.
- Overseeing the financial reporting, capital structures and material contracts matters and approving all financial statements and related reports to be filed with securities regulators and/or stock exchanges.
- Overseeing the monitoring of the principal risks of the Company's business and ensuring that a sound and effective risk management system and internal controls are in place.
- Setting the Company's mission, vision, values and standards.
- Satisfying itself as to the integrity of senior management and that senior management creates a culture of integrity throughout the Company.
- Undertaking a formal and rigorous review of the corporate governance policies to ensure adherence to the ASX Corporate Governance Council.
- Ensuring that the Company's obligations to shareholders are understood and met.
- Overseeing the Company's commitment to sustainable and socially responsible resource development.
- Ensuring the health, safety and well-being of employees in conjunction with the senior management team, including developing, overseeing and reviewing the effectiveness of the Company's occupational health and safety systems to assure the well-being of all employees.
- Ensuring an adequate system is in place for the proper delegation of duties for the effective operative day to day running of the Company without the Board losing sight of the direction that the Company is taking.
- Any other matter considered desirable and in the interest of the Company.

### **Roles of Chair and Lead Director**

The Chair is responsible for the following:

- Providing the necessary direction required for an effective Board.
- Overseeing the preparation of Board agendas and briefing papers and ensuring that all required matters are brought before the Board and that all the directors receive timely and accurate information so that they can make informed decisions on matters of the Company.
- Encouraging active engagement from all members of the Board.
- Reviewing the expense reports of the Chief Executive Officer.
- Perform such executive functions as shall be conferred upon him by the Board.

To the extent that the Chair is not independent, a Lead Director who is an independent director should be appointed by the Board and be responsible for the following:

- Serving as a principal liaison between the independent directors and the Chair and between the independent directors and senior management.
- Reviewing Board agendas and giving input to the Chair in advance of Board meetings.
- Presiding over meetings of the independent directors and communicating the results of these meetings to the Chair, when appropriate.
- Performing the duties of the Chair when there is an actual or potential conflict of interest or when the Chair is absent.

### **Role of Corporate Secretary**

The Corporate Secretary (also referred to as the Company Secretary) supports the effectiveness of the Board by:

- Conducting and reporting matters of the Board, including the despatch of Board agendas, briefing papers and minutes.
- Ensuring that compliance systems relating ASX Listing Rules are maintained and the Company and Board adhere to those.
- Monitoring policies and procedures of the Board.
- Providing support and advice to senior management, individual directors, Board committees and the Board in general.

The Corporate Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

The appointment and removal of the Corporate Secretary is a matter of the Board. If deemed appropriate, the responsibilities of the Corporate Secretary may be shared by two Corporate Secretaries or Company Secretaries appointed by the Board.

### **Board Meetings**

The Board may meet as often as required to fulfil their responsibilities.

The Board shall keep minutes of its meetings. The minutes of each Board meeting shall be drafted by the Corporate Secretary or such other secretary of the meeting as shall be delegated by the Corporate Secretary or appointed by the Board from time to time. The Corporate Secretary shall circulate the minutes of the Board meetings to all Board members for comment and change before being signed by the Chair.

To assist the smooth running of Board processes, Board papers are to be provided to the Board and invitees, where possible, at least 3 days prior to the meeting.

### **Board Committees**

The Board from time to time establishes committees to assist in carrying out its responsibilities and adopts charters setting out matters relevant to the composition, responsibilities and administration of such committees, and other matters that the Board may consider appropriate.

The standing committees of the Board currently are the Audit Committee, the Remuneration, People and Governance Committee and the Sustainability and Indigenous Affairs Committee, and the Board has adopted a charter for each such committee.

### **Induction and Education**

It is the policy of the Company, that new directors undergo an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, tours of the mine site and premises, an induction package and presentations. Information conveyed to new directors includes access to a copy of the Company's corporate governance policies, including this charter, and to a copy of the Constitution of the Company, details of Board meeting arrangements and contact information for the Chair, any Lead Director and the Corporate Secretary.

New directors are also provided with letters of appointment to the Board, setting out the key terms and conditions relative to the appointment.

In order to achieve continuing improvement in Board performance, all directors are encouraged to undergo continual professional development. Specifically, directors are provided with the resources and training to address skills gaps where they are identified and to receive continuing education concerning key developments in the Company and in the industry and environment within which the Company operates.

### **Performance Evaluation**

Each year, the Board shall undertake an annual performance evaluation in order, among other things:

- To examine the impact of the effectiveness of its directors, Board, and Board committees.
- To review and improve on the quality and performance of the entire Board and committee structure.

The annual performance evaluation shall be led by the Chair or Lead Director, with the assistance of the Remuneration, People and Governance Committee, and shall be conducted in such manner as they deem appropriate.

### **Independent Professional Advice**

The Board collectively and each director has the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities, subject to the prior approval of the Chair whose approval shall not be unreasonably withheld. If permission is withheld, the matter may be referred to the whole Board.

### **Board Review and Approval**

This charter shall be reviewed annually by the Board. The current version of this charter was approved by the Board on January 26, 2023 (Montréal time) / January 27, 2023 (Sydney time).