



Document No.: APC-CP-BG-PY-0005

## Performance Evaluation Policy

Rev	Date	Description	By	Reviewed	Approved
A	23/09/2021	Issued for Use	M Blandford	M Shackleton	Board of Directors

## 1. PURPOSE

Australian Potash Limited (**APC or the Company**) has a commitment to upholding a high standard of corporate governance practices. Recommendation 1.6 of the ASX Corporate Governance Council Corporate Governance Principles & Recommendations – 4<sup>th</sup> edition is for a listed entity to have a “process for periodically evaluating the performance of the board, its committees and individual directors”. This Policy is designed to assist the Company in meeting this governance obligation.

## 2. SCOPE

This Policy applies to the Remuneration & Nomination Committee or any independent consultant engaged by that Committee to undertake the performance evaluation.

The Policy is subject to change from time to time at the Company’s discretion and in accordance with applicable laws. This policy is authorised by the Board of the Company and cannot be amended without the prior approval of the Board.

## 3. OBJECTIVE

To ensure that the Remuneration & Nomination Committee meets its obligations under the *Remuneration & Committee Charter (APC-CP-BG-CT-0003)* to conduct an annual performance evaluation of the Board of Directors.

## 4. DEFINITION & ACRONYMS

APC or the Company	Australian Potash Limited and its subsidiaries
ASX	Australian Securities Exchange
Board	Board of Directors of the Company

## 5. PERFORMANCE EVALUATION PROCESS

The Remuneration & Nomination Committee will arrange a performance evaluation of the Board, its committees, individual Directors and senior executives on an annual basis as appropriate. To assist in this process an independent advisor may be used.

The Remuneration & Nomination Committee will conduct an annual review of the role of the Board, assess the performance of the Board over the previous 12 months and examine ways of assisting the Board in performing its duties more effectively.

The review will include:

- (a) comparing the performance of the Board with the requirements of its Charter;
- (b) examination of the Board’s interaction with management;
- (c) the nature of information provided to the Board by management;
- (d) management’s performance in assisting the Board to meet its objectives; and
- (e) an analysis of whether there is a need for existing Directors to undertake professional development.

A similar review may be conducted for each committee by the Board with the aim of assessing the performance of each committee and identifying areas where improvements can be made.

The Remuneration & Nomination Committee will also oversee the evaluation of the remuneration of the Company's senior executives. This evaluation must be based on specific criteria, including the business performance of the Company and its subsidiaries, whether strategic objectives are being achieved and the development of management and personnel.

The Company must disclose, in relation to each financial year, whether or not the relevant annual performance evaluations have been conducted in accordance with the above processes.

### 6. REFERENCES

- ASX Corporate Governance Council Corporate Governance Principles & Recommendations – 4<sup>th</sup> edition
- Governance Institute of Australia – *Good Governance Guide: Issues to consider in board evaluations*
- Governance Institute of Australia – *Good Governance Guide: Options for board evaluations*