DANAKALI

Corporate Governance Framework

Purpose and scope

This framework sets out the governance standards, roles, and controls that guide the company's decision-making, oversight, accountability, and disclosure. It applies to the board, management, employees, contractors, and controlled entities of the company, unless otherwise approved by the board. The framework is intended to support long-term value creation, regulatory compliance, and stakeholder confidence.

Governance principles

The company will conduct its affairs in accordance with the following principles:

- Accountability.
- Integrity and ethical conduct.
- Transparency and timely disclosure.
- Fairness and respect for shareholder and stakeholder rights.
- Effective risk oversight and internal control.
- Responsible remuneration and performance alignment.
- Board independence and sound judgment.

These principles reflect the ASX Governance Code's expectations on board composition, ethics, disclosure, risk, remuneration, and shareholder engagement.

Board role and responsibilities

The board is responsible for the overall governance of the company and for overseeing management. Its key responsibilities include approving strategy, budgets, capital management, major investments and divestments, financial reporting, risk appetite, executive remuneration, succession planning, and market disclosures. The board must also oversee compliance with the Corporations Act, NSX Listing Rules, and the company's constitution.

Board composition

The board should be of sufficient size and mix of skills to discharge its duties effectively. A majority of directors should be independent non-executive directors, and the chair should be independent and separate from the CEO where practicable. Director appointments should be based on merit, skills, experience, integrity, and diversity considerations. The board should periodically assess its composition, independence, and performance.

Board committees

The board should establish standing committees with written charters and clear reporting lines:

- Audit and Risk Committee.
- Remuneration Committee.
- Nomination and Governance Committee.

Each committee should comprise a majority of independent non-executive directors and be chaired by an independent director. The Audit and Risk Committee should oversee financial reporting, internal controls, external audit, and enterprise risk management.

Risk management and internal control

The company will maintain a robust risk management framework that identifies, assesses, monitors, and treats material risks, including financial, operational, legal, cyber, climate-related, and conduct risks. Management is responsible for implementing controls and reporting breaches or emerging risks promptly to the board. The board should review the effectiveness of the risk framework at least annually and ensure the company has appropriate insurance, business continuity, and crisis response arrangements.

Ethics and conduct

The company will maintain a code of conduct that requires honest, lawful, and respectful behaviour. The code should cover conflicts of interest, gifts and hospitality, insider trading, misuse of information, anti-bribery and corruption, competition law, workplace conduct, and reporting obligations. Directors, executives, and employees must disclose actual or potential conflicts promptly and manage them in accordance with approved procedures.

Disclosure and reporting

The company will make continuous and periodic disclosures in a timely, accurate, and balanced manner. All material information must be escalated to the disclosure officers and reviewed under the company's disclosure policy before release. The company will prepare annual governance disclosures explaining the extent of compliance with the ASX recommendations and, where it does not comply, the reasons on an "if not, why not" basis.

Remuneration and succession

Executive and director remuneration should be fair, performance-linked, and designed to promote sustainable long-term outcomes rather than short-term risk-taking. The Remuneration Committee should oversee remuneration policy, incentives, termination payments, and executive service agreements. The board should also maintain succession plans for the CEO, senior executives, and directors to support continuity and resilience.

Shareholder engagement

The company will respect shareholder rights and promote active engagement through timely notices, accessible meeting materials, and fair voting processes. General meetings should be conducted in a way that facilitates informed participation, including by retail and institutional investors. The board should respond constructively to shareholder questions, proxy voting outcomes, and material concerns raised by investors.

Company policies

To make this framework effective, the company will maintain the following supporting policies:

- Board charter.
- Audit and Risk Committee charter.
- Remuneration Committee charter.
- Continuous disclosure policy.
- Securities trading policy.
- Code of conduct.
- Whistleblower policy.
- Anti-bribery and corruption policy.
- Diversity policy.
- Risk management policy.

These documents should be reviewed regularly and approved by the board or the relevant committee.

Review and assurance

The board should review this framework periodically and after any material governance incident, regulatory change, or strategic shift. Management should provide regular assurance reporting on compliance, breaches, incidents, and remediation actions. Independent assurance, including internal audit and external audit, should be used where appropriate to test the design and operating effectiveness of controls.

Approval and Adoption

This Framework was approved by the Board on 2 October 2026 and takes effect from that date.