

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Whitehaven Coal Limited

ABN / ARBN:

68 124 425 396

Financial year ended:

30 June 2020

Our corporate governance statement² for the above period above can be found at:³

- ☐ These pages of our annual report:
- ☒ This URL on our website: <http://www.whitehavencoal.com.au/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 18 September 2020 and has been approved by the board.

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

Date: 18 September 2020

Name of Director or Secretary authorising
lodgement: Timothy Burt

¹ 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.

² "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.

³ 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		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
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: ☒ in our Corporate Governance Statement AND ☒ in the Board Charter available at https://whitehavencoal.com.au/our-business/corporate-governance/ ... 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): ☒ in the Board Charter available at https://whitehavencoal.com.au/our-business/corporate-governance/ and in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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: ☒ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

⁴ If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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): ☒ in our Corporate Governance Statement <u>OR</u> ☐ at ... and a copy of our diversity policy or a summary of it: ☒ at https://whitehavencoal.com.au/our-business/corporate-governance/ ... 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: ☐ in our Corporate Governance Statement <u>OR</u> ☒ at page 52 of the 2020 Sustainability Report ... and the information referred to in paragraphs (c)(1) or (2): ☐ in our Corporate Governance Statement <u>OR</u> ☒ at https://whitehavencoal.com.au/people-careers/diversity/	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
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): ☒ in our Corporate Governance Statement <u>OR</u> ☐ at ... and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement <u>OR</u> ☐ at	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
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): ☒ in our Corporate Governance Statement <u>OR</u> ☐ at ... and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement <u>OR</u> ☐ at	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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.	[If the entity complies with paragraph (a):] ... the fact that we have a nomination committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement OR ☐ at ... and a copy of the charter of the committee: ☒ at https://whitehavencoal.com.au/our-business/corporate-governance/ ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement (for the members) AND ☒ on page 23 of the 2020 Annual Report (for meetings and attendances) [If the entity complies with paragraph (b):] ... the fact that we do not have a nomination committee and the processes we employ 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: ☐ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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: ☒ in our Corporate Governance Statement OR ☐ at ... and, where applicable, the information referred to in paragraph (b): ☒ in our Corporate Governance Statement OR ☐ at ... and the length of service of each director: ☒ in our Corporate Governance Statement OR ☐ at [insert location here]	☐ an explanation why that is so 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: ☒ in our Corporate Governance Statement OR ☐ at [insert location here]	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
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: ☒ in our Corporate Governance Statement AND ☒ at https://whitehavencoal.com.au/our-business/corporate-governance/	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
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.	[If the entity complies with paragraph (a):] ... the fact that we have an audit committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement OR ☐ at ... and a copy of the charter of the committee: ☒ at https://whitehavencoal.com.au/our-business/corporate-governance/ ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement (for the members) AND ☒ on pages 16-18 and 23 of the 2020 Annual Report (for qualifications and experience, and meetings and attendances) [If the entity complies with paragraph (b):] ... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner: ☐ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement
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: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
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: ☒ in our Corporate Governance Statement AND ☒ at https://whitehavencoal.com.au/our-business/corporate-governance/	☐ an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
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: ☒ at https://whitehavencoal.com.au	☐ an explanation why that is so in our Corporate Governance Statement
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: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so 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: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
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: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
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.	[If the entity complies with paragraph (a):] ... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): ☒ in our Corporate Governance Statement OR ☐ at ... and a copy of the charter of the committee: ☒ at https://whitehavencoal.com.au/our-business/corporate-governance/ ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement (for members) AND ☒ on page 23 of the 2020 Annual Report (for meetings and attendances) [If the entity complies with paragraph (b):] ... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework: ☐ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement
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: ☒ in our Corporate Governance Statement OR ☐ at ... and that such a review has taken place in the reporting period covered by this Appendix 4G: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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.	[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs: ☐ in our Corporate Governance Statement <u>OR</u> ☐ at [If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes: ☒ in our Corporate Governance Statement <u>OR</u> ☐ at	☐ an explanation why that is so in our Corporate Governance Statement
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.	... 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: ☒ in our Corporate Governance Statement <u>OR</u> ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration 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 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.	[If the entity complies with paragraph (a):] ... the fact that we have a remuneration committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement OR ☐ at ... and a copy of the charter of the committee: ☒ at https://whitehavencoal.com.au/our-business/corporate-governance/ ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement (for members) AND ☒ on page 23 of the 2020 Annual Report (for meetings and attendances) [If the entity complies with paragraph (b):] ... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive: ☐ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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.	... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives: ☒ in our Corporate Governance Statement AND ☒ at pages 37-61 of the 2020 Annual Report.	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (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 (b) disclose that policy or a summary of it.	... our policy on this issue or a summary of it: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	... the information referred to in paragraphs (a) and (b): ☐ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement
-	<i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	... the terms governing our remuneration as manager of the entity: ☐ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

CORPORATE GOVERNANCE STATEMENT 2020



WHITEHAVEN COAL

Corporate Governance Statement 2020

INTRODUCTION

The Company is committed to achieving the highest standards of corporate governance and to conducting its operations and corporate activities safely and in accordance with all applicable laws and regulatory obligations. This Corporate Governance Statement sets out the key details of the Company's corporate governance framework.

SCOPE OF RESPONSIBILITY OF THE BOARD

The Board has a formal Board Charter which sets out the responsibilities, structure and composition of the Board. It provides that the Board's broad function is to:

- determine strategy and set financial targets for the Whitehaven Group;
- monitor the implementation and execution of strategy and performance against financial targets; and
- appoint and oversee the performance of executive management and to take and fulfil an effective leadership role in relation to the Whitehaven Group.

The Board Charter sets out the responsibilities which are specifically reserved for the Board. These include the following:

- determining the composition of the Board, including the appointment and removal of Directors;
- oversight of the Whitehaven Group, including its control and accountability systems;
- appointment and removal of senior management and the Company Secretary;
- reviewing and overseeing systems of risk management and internal compliance and control, codes of ethics and conduct, and legal and regulatory compliance;
- monitoring senior management's performance and implementation of strategy; and
- approving and monitoring financial and other reporting and the operation of Board committees ('Committees').

A copy of the Board Charter can be viewed on the Company's website (www.whitehavencoal.com.au).

Day-to-day management of the Company's affairs and implementation of its strategy and policy initiatives are delegated to the Managing Director and senior executives, who operate in accordance with Board approved policies and delegated limits of authority.

INDEPENDENCE OF THE BOARD

Under the terms of the Board Charter, an independent Director is a non-executive director who is not a member of management and who is free of any business or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with – the independent exercise of their judgment.

The Board reviews and makes a determination regarding each Director's independence on a regular basis as required by any change in circumstance that may affect an individual's independence. In making this determination, the Board has regard to all relevant facts and circumstances, including the recommendations of the Governance and Nomination Committee, and assesses whether the Director is independent of management and any business or other relationship that could materially interfere with the exercise of objective or independent judgment or the Director's ability to act in the best interests of the Company.

Paul Flynn is not considered independent because during the financial year he was an executive of the Company.

Ray Zage had previously been considered not to be independent because of his relationship with a substantial shareholder of the Company - however, that shareholder is no longer a substantial shareholder in the company. The Board is of the view that there is no longer any relationship which could interfere with his objective and independent judgment and is satisfied that he always conducts himself with a view to advancing the best interests of the company.

Mark Vaile, John Conde, Julie Beeby, Fiona Robertson and Lindsay Ward are also considered by the Board to be independent Directors pursuant to the terms of the Board Charter. The tenure of a Director is a factor taken into account by the Board in assessing the independence of a Director, but is not determinative. Based on its assessment, the Board determined that each independent Director remains able to bring an independent mind to bear on issues before the Board and to act in the best interests of the Company and its shareholders generally. In addition, the Board believes that the interests of all stakeholders are best served if its composition includes a blend of experience and tenure among Directors.

BOARD COMMITTEES

The Board has established the following standing Committees and the membership of those Committees at 30 June 2020 is set out below:

Committee	Purpose	Membership
Audit and Risk Management Committee	Advises on the establishment and maintenance of a framework of internal control and appropriate ethical standards for the management of the Whitehaven Group. It also gives the Board additional assurance regarding the quality and reliability of financial information prepared for use by the Board in determining policies or for inclusion in the financial report. The Audit and Risk Management Committee also has an important role in ensuring that the audit is of high quality and that there is active engagement with the auditors. It is also actively involved in the appointment of auditors and ensures that the audit is conducted to the highest standard.	Fiona Robertson (Chairman) Mark Vaile John Conde
Remuneration Committee	Assists the Board and reports to it on remuneration and issues relevant to remuneration policies and practices including those for key management. The Committee is also responsible for overseeing Whitehaven's human resources strategy and for identifying initiatives required to improve diversity.	John Conde (Chairman) Mark Vaile Lindsay Ward
Governance and Nomination Committee	Assists the Board and reports to it on issues relevant to governance policies and practices including the independence of Directors and to make recommendations to the Board in relation to the appointment of new Directors. The Committee also supports and advises the Board on the oversight of succession planning for the Managing Director.	Mark Vaile (Chairman) John Conde Julie Beeby
Health, Safety, Environment and Community Committee	Assists the Board and reports to it on health, safety, environment and community ('HSEC') matters including Whitehaven's performance on HSEC matters, compliance with relevant HSEC laws and the adequacy and effectiveness of HSEC management systems.	Julie Beeby (Chairman) Fiona Robertson Lindsay Ward

The number of meetings held for each of the Committees above, and each Committee member's attendance at these meetings, is set out in the Directors' Report in the 2020 Annual Report.

The Charter of each of the standing Committees is included in the "Corporate Governance" section of the Whitehaven website (<http://www.whitehavencoal.com.au/corporate-governance/>).

In addition to the standing Committees referred to above, the Board also has the ability to establish ad hoc committees formed for a limited period of time to address a specific need.

Each Committee regularly reports to the Board on matters relevant to the Committee's role and responsibilities and the minutes of each Committee meeting are made available to each Director.

BEST PRACTICE COMMITMENT

Whitehaven is committed to achieving and maintaining the highest standards of conduct and has undertaken various initiatives, as outlined in this statement, designed to achieve this objective. Whitehaven's corporate governance charters are intended to 'institutionalise' good corporate governance and, generally, to build a culture of best practice both in Whitehaven's internal practices and in its dealings with others.

INDEPENDENT PROFESSIONAL ADVICE

With the prior approval of the Chairman, each Director has the right to seek independent legal and other professional advice concerning any aspect of Whitehaven's operations or undertakings in order to fulfil their duties and responsibilities as Directors. Any costs incurred are borne by the Company.

COMPLIANCE WITH ASX CORPORATE GOVERNANCE GUIDELINES AND BEST PRACTICE RECOMMENDATIONS

The Board has assessed the Company's practice against the Australian Securities Exchange Corporate Governance Council's 'Corporate Governance Principles and Recommendations – 3rd edition' ('ASX Guidelines'). Whitehaven complied with the ASX Guidelines in all material respects throughout the 2020 financial year. The Company notes the publication of the 4th Edition ASX Principles and intends to report against the 4th Edition in its 2021 Corporate Governance Statement.

Principle 1 – Lay Solid Foundations for Management and Oversight

The role of the Board and delegation to senior management have been formalised as described above.

Senior Executive Contracts and Performance Evaluations

All senior executives are employed under employment services agreements that detail their role and responsibilities and other key terms of their employment with the Whitehaven Group.

On an annual basis, the Board reviews the performance of the Managing Director. The assessment criteria used in these reviews are both qualitative and quantitative and includes the following:

- financial performance;
- safety and environmental performance; and
- strategic leadership actions.

The Managing Director annually reviews the performance of Whitehaven's senior executives using criteria consistent with the above.

The performance of the Managing Director and the Company's senior executives during the 2020 financial year has been assessed in accordance with the above processes.

Appointment of Directors

As part of the process for appointing new Directors, appropriate background checks on potential appointees' character, experience, education, criminal record and bankruptcy history are undertaken by the Governance and Nomination Committee. Equivalent checks are also undertaken before putting forward a candidate to shareholders for election as a Director.

The Company provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.

Each Director has a letter of appointment, which sets out the terms of their appointment, including their responsibilities and the expected time commitment.

Board, Committee and Director Evaluations

The Board periodically undertakes an evaluation of the performance of the Board, its Committees and its Directors. The evaluation encompasses a review of the structure and operation of the Board and its Committees, the skills and characteristics required by the Board to maximise its effectiveness, the performance of its Committees and Directors, and the appropriateness of the Board's practices and procedures to meet the present and future needs of the Company.

The most recent evaluation of the Board, its Committees and its Directors was conducted during the year. The Board determined that it benefits from a variety of perspectives and skills, that it remains of a size which facilitates effective decision making and that its Committees and Directors are discharging their responsibilities.

Company Secretary

The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. The Company Secretary is responsible for coordination of all Board business, including agendas, board papers, minutes, communication with the ASX and all statutory and other filings.

Diversity

Whitehaven recognises that people are its most important asset and is committed to maintaining and promoting workplace diversity. Diversity drives the Group's ability to attract, retain and develop the best talent, create an engaged workforce, deliver the highest quality services to its customers and continue to grow the business.

The Board has adopted a Diversity Policy which describes Whitehaven's diversity aspirations and sets minimum expectations to be met by the Group on workforce diversity. A copy of the Diversity Policy is available on Whitehaven's website.

The recruitment and selection processes adopted by Whitehaven ensure that staff and management are selected in a non-discriminatory manner based on merit. The Diversity Policy is overseen at Board level by the Remuneration Committee.

The Board established measurable objectives for FY2020 in accordance with the Diversity Policy. A discussion on these objectives including performance against the objectives is set out in the 2020 Sustainability Report.

A full copy of Whitehaven's Workplace Gender Equality Agency (WGEA) report for FY2020, which includes Whitehaven's "Gender Equality Indicators", can be viewed on Whitehaven's website.

Principle 2 – Structure the Board to add value

Board Composition

The Board is currently comprised as follows:

Director	Independent	Non-executive	Term in office
Mark Vaile (Chairman)	Yes	Yes	8 years
John Conde (Deputy Chairman)	Yes	Yes	13 years
Paul Flynn	No	No	8 years
Julie Beeby	Yes	Yes	5 years
Fiona Robertson	Yes	Yes	2 years
Lindsay Ward	Yes	Yes	18 months
Ray Zage	Yes	Yes	7 years

The Board reviews its composition from time to time to ensure the Board benefits from an appropriate balance of skills and experience. Details of the experience and skills of the Directors are set out in the Directors' Report in the 2020 Annual Report.

Board Skills and Experience

The Board is comprised of seven Directors from diverse backgrounds with a range of business experience, skills and attributes. The following table demonstrates the skills and experience of the Directors across several dimensions that are relevant to the Company's business.

Leadership & Governance	Sustainability & Stakeholder Management
Leadership	Public Policy/ Government Affairs
Public Listed Company Experience	Community Relations
Corporate Governance	Human Resources

Strategy	Remuneration
Technical & Operations	Volunteer/ Not for Profit Involvement
Coal Mining Industry Experience	Business, Finance & Risk
Engineering	Accounting
Project Delivery	Finance
Marketing	Risk Management
Health, Safety, Environment and Community	Audit
Experience managing health, safety, environment and community issues in a large organisation	Mergers & Acquisitions
	Technology

The Board is committed to identifying and attracting suitably experienced leaders to ensure that it has the right directors. In terms of composition, the Board is of the view that its current Directors possess an appropriate mix of skills, experience and diversity to enable the Board to discharge its responsibilities and deliver the Company's corporate objectives.

Governance and Nomination Committee

Details regarding the Governance and Nomination Committee, including its role and members, are set out above. The Committee is comprised of a majority of independent Directors, is chaired by an independent Director and has three members. The Governance and Nomination Committee's Charter can be viewed on Whitehaven's website.

Director Induction and Ongoing Training

Whitehaven has a comprehensive induction training programme for Directors, which involves briefings by the Managing Director and the leadership team regarding the Group's strategy and culture, sessions on key areas such as risk, and site visits. There is also an ongoing Director training programme to ensure that Directors maintain the skills and knowledge required to effectively perform their role.

Principle 3 – Act Ethically and Responsibly

Whitehaven has a Code of Conduct. The purpose of this code is to provide Directors and employees with guidance on what is acceptable behaviour. The Code of Conduct requires all Directors, managers and employees to maintain the highest standards of honesty and integrity. The Code of Conduct can be viewed on Whitehaven's website.

Whitehaven has a Securities Trading Policy that regulates dealing in its securities by key management personnel (including Directors) and certain other employees (Restricted Persons). In addition to an overriding prohibition on dealing in securities when a Restricted Person is in possession of inside information, Restricted Persons and their families and/or companies and other entities that the Restricted Person controls, are prohibited from dealing in the company's securities during certain blackout periods as follows:

- 4.00pm (Sydney time) on 30 June each year until the day following the announcement to the ASX of the full-year results
- 4.00pm (Sydney time) on 31 December each year until the day following the announcement to the ASX of the half-year results
- 4.00pm (Sydney time) on 31 March each year until the day following the release to the ASX of the March Quarterly Report
- 4.00pm (Sydney time) on 30 September each year until the day following the release to the ASX of the September Quarterly Report
- Any other period that the Board specifies from time to time.

A copy of the Securities Trading Policy is available on Whitehaven's website.

Whitehaven has an Anti-Corruption Policy which establishes a standard of behaviour and integrity, honesty and transparency which applies to anyone who is employed by or works in the Whitehaven Group. The policy sets out what conduct is expected of Whitehaven and its employees and provides guidance on how to recognise and deal with instances of corruption and bribery. The Anti-Corruption Policy can be viewed on Whitehaven's website.

Whitehaven has a Political Donations Policy which sets out the circumstances under which Whitehaven and its Directors may make political donations and the internal reporting requirements in respect of any donations made. Whitehaven is committed to transparency in respect of its political donations and to ensuring compliance with its political donations disclosure obligations. The Political Donations Policy can be viewed on Whitehaven's website.

Principle 4 – Safeguard Integrity in Corporate Reporting

Whitehaven is committed to a transparent system for auditing and reporting of the Company's financial performance. Whitehaven's Audit and Risk Management Committee performs a central function in achieving this goal. A majority of the members of the Audit and Risk Management Committee (including the Chairman of the Committee) are independent Directors, and all the members are financially literate non-executive Directors. The relevant qualifications and experience of the members of the Audit and Risk Management Committee are set out in the Directors' Report in the 2020 Annual Report.

The Audit and Risk Management Committee holds discussions with external auditors without management present as required. The Audit and Risk Management Committee's Charter can be viewed on Whitehaven's website.

Each financial period, the Board receives a declaration from the Managing Director and the chief financial officer that, in their opinion, the financial records of Whitehaven 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 Whitehaven, and that this opinion has been formed on the basis of a sound system of risk management and internal control, which is operating effectively. These declarations were provided by the Managing Director and the chief financial officer for the half year ended 31 December 2019 and financial year ended 30 June 2020.

Principle 5 – Make Timely and Balanced Disclosure

Whitehaven has in place (under its Continuous Disclosure Policy) practices and procedures which are aimed at ensuring timely compliance with the Company's obligations under the Corporations Act 2001 (Cth) and ASX Listing Rules. The Continuous Disclosure Policy sets out Whitehaven's disclosure obligations, explains what type of information needs to be disclosed and identifies who is responsible for disclosure.

The Continuous Disclosure Policy requires employees of Whitehaven to immediately report to the Managing Director or if the Managing Director is not contactable, one of his delegates (the chief financial officer or the general counsel and company secretary) once they become aware of information that is, or may be, price sensitive.

Under the Continuous Disclosure Policy, Whitehaven must not publicly disclose price-sensitive information until it has given that information to the ASX and has received an acknowledgment from the ASX that the information has been released to the market. After an acknowledgment has been received from the ASX, information disclosed to the ASX should be promptly placed on Whitehaven's website. This policy can be viewed on Whitehaven's website.

Principle 6 – Respect the Rights of Shareholders

The Board recognises the importance of ensuring that shareholders are kept informed of all major developments affecting the Company. Information is communicated to shareholders in the following ways:

- regular announcements are made to the ASX in accordance with the Company's continuous disclosure obligations, including quarterly reports, half-year results, full-year results and an Annual Report. These announcements, as well as information regarding the Company and its governance, are available on Whitehaven's website;
- Whitehaven's Annual Report is delivered to those shareholders who have elected to receive it;
- through participation at the Company's Annual General Meeting. The Board encourages full participation of shareholders at the Annual General Meeting;
- the Company's external auditors attend the Annual General Meeting and are available to answer shareholders' questions.

Shareholders are able to receive communications from, and send communications to, Whitehaven or its share registry electronically.

Principle 7 – Recognise and Manage Risk

Whitehaven recognises that risk is a part of doing business and that effective risk management is fundamental to achieving the Company's strategic and operational objectives.

Whitehaven has a Risk Management Framework which provides the approach, infrastructure and processes for risk management at the Company. This Framework is constantly evolving, enabling the Company to manage its risks effectively and efficiently. The key components of the Framework are as follows:

Risk Management Policy - this Policy provides an overview of Whitehaven's approach to risk management, and includes a summary of the roles and responsibilities of both the Board and management.

Risk Management Standards – these Standards address the identification, assessment and management of all material risks that could impact the Company's objectives.

Risk Management Guidelines – these Guidelines provide guidance to Directors and management as to what needs to be done to meet the objectives of the Risk Management Policy and the Risk Management Standards.

Under the supervision of the Board, management is responsible for identifying and managing risks.

The Board is responsible for ensuring that a sound system of risk oversight and management exists and that internal controls are effective. In particular, the Board ensures that the principal strategic, operational, financial reporting and compliance risks are identified, and that systems are in place to manage and report on these risks. The Board conducts a review of the risk management framework at least annually to satisfy itself that it continues to be sound. The Board undertook this review during the financial year and is satisfied that Whitehaven's risk management framework remains sound.

The Board, together with management, constantly seeks to identify, monitor and mitigate risk. Internal controls are monitored on a continuous basis and, wherever possible, improved.

The Board is also assisted by the Audit and Risk Management Committee to oversee financial reporting risks by reviewing the major risks affecting each business segment and developing, and recommending to the Board, strategies to mitigate these. The Health, Safety, Environment and Community Committee also assists the Board to oversee and minimise health, safety and environmental risks. The Charters which set out the specific responsibilities of these Committees are available on Whitehaven's website.

Whitehaven does not have a formal internal audit function. Whitehaven divides responsibility for internal audit activities between management, the Audit and Risk Management Committee, the Health, Safety, Environment and Community Committee and the Board. One of Whitehaven's key risk management systems is its internal risk register which is used for the purposes of reporting to the Board regarding material risks within the Group and how these have been managed. This process is aimed at ensuring the Company's risk management framework and system of internal control are continually being monitored and evaluated.

Material Business Risks

Whitehaven's business is subject to various risks, including the material economic, environmental and social sustainability risks summarised below. This not an exhaustive list of all the risks that may affect the Company.

Volatility in Coal Prices

The Company's future financial performance will be impacted by future coal prices. Factors which affect coal prices include the outcome of future sales contract negotiations, general economic activity, industrial production levels, changes in foreign exchange rates, changes in coal demand, changes in the supply of seaborne coal, changes in international freight rates and the cost of substitutes for coal. The Company does not currently hedge against coal price volatility.

Foreign Currency Risk

As the Company's sales are predominantly denominated in US dollars, adverse fluctuations in the US\$/A\$ exchange rate may negatively impact the Group's financial position.

The Company uses forward exchange contracts to hedge some of this currency risk in accordance with a hedging policy approved by the Board of Directors.

Acquisitions and Commercial Transactions

Acquisitions and commercial transactions undertaken with the objective of growing the Company's portfolio of assets are subject to a number of risks which may impact the ability to deliver anticipated value. Risks associated with acquisitions include:

- operational performance of acquired assets not meeting expectations;
- anticipated synergies or cost savings being delayed or not being achieved;
- adverse market reaction to proposed transactions; and
- the imposition of unfavourable or unforeseen conditions, obligations or liabilities.

Whitehaven's commercial processes are designed to reduce the likelihood of these risks materialising as a result of a commercial transaction.

Capital Requirement Risk

There is a risk that insufficient liquidity or the inability to access funding on acceptable terms may impact ongoing operations and growth opportunities.

Whitehaven manages liquidity risk by holding a prudent level of available cash, maintaining adequate committed credit facilities which have been provided by a diverse panel of Australian and international banks and refinancing committed credit facilities well before they become current liabilities.

Whitehaven had \$468.8 million in liquidity (cash and undrawn facilities) available as at 30 June 2020.

Capital Allocation and Development Risks

There is a risk that circumstances (including unforeseen circumstances) may cause delays to project development, exploration milestones or other operating factors, resulting in the receipt of revenue at a date later than expected. Additionally, the construction of new projects/expansion by the Company may exceed the currently envisaged timeframe or cost for a variety of reasons outside of the control of the Company.

Missed opportunities to invest or a failure to effectively allocate capital or achieve expected return from assets may also lead to a failure to achieve expected commercial objectives.

Operating Risks

The Company's coal mining operations are subject to operating risks that could impact the amount of coal produced at its coal mines, delay coal deliveries or increase the cost of mining for varying lengths of time. Such difficulties include weather and natural disasters, unexpected maintenance or technical problems, failure of key equipment, higher than expected rehabilitation costs, industrial action, labour shortages and higher than expected labour costs.

Geological uncertainty is also an inherent operational risk which could result in pit wall failures or rock falls, mine collapse, cave-ins or other failures to mine infrastructure.

The Company has in place a framework for the management of operational risks and a comprehensive group insurance program which provides insurance coverage for a number of these operating risks.

Water Security

Water is critical for the Whitehaven's mining operations as it is used for various purposes including dust suppression and coal washing. Whitehaven's ability to access water may be impacted by a number of factors, including drought, changes in government policy and regulation and scarcity of supply. Inability to access sufficient water may negatively impact on Whitehaven's costs, future production and financial performance.

Whitehaven regularly monitors the water balances at each of its sites and investigates opportunities to minimise water usage and secure alternate, reliable water sources to build resilience against water availability risks.

Infrastructure Risks

Coal produced from Whitehaven's mining operations is transported to customers by a combination rail and ship. A number of factors could disrupt these transport services, including a failure of infrastructure providers to increase capacity in order to meet future export requirements.

Rail and port capacity is obtained predominantly through long-term contract arrangements which include take-or-pay provisions which require payments to be made irrespective of whether the service is used. In the event utilised capacity is below contracted capacity, there is a risk Whitehaven will be required to pay take-or-pay charges for capacity which is not used. Whitehaven seeks to align these take-or-pay infrastructure obligations with the Company's forecasted future production.

Geology Risks

There are inherent risks associated with estimating coal Resources and Reserves, including subjective judgements and determinations as to coal quality, geological conditions, tonnage and strip ratio. The Company's Resource and Reserve estimates are determined by suitably qualified competent persons in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

Cyber Risk

Whitehaven's operations are supported by a robust information technology security framework and back-up data infrastructure. However, computer viruses, unauthorised access, cyber-attack and other similar disruptions may threaten the security of

information and impact operational systems. The Company manages this risk by continuing to invest in systems to prevent such attacks and undertaking staff training programmes.

Counterparty Risk

The Company deals with a number of counterparties, including joint venture partners, suppliers and customers. Counterparty risks include:

- Non-supply or changes to the quality of key inputs which may impact costs and production at operations;
- Failure to reach agreement with joint venture partners which could impact the Company's ability to optimise value from its projects; and
- Failure of customers to perform against long-term take-or-pay agreements.

Counterparty risk is assessed prior to entry into any new arrangements and, if necessary, appropriate risk control mechanisms are put in place. Whitehaven proactively engages with its counterparties to manage instances of non-supply and quality control and to ensure alignment of expectations.

Environment and Safety Risks and Licence to Operate

A range of health, safety and environmental risks exist with coal mining activities. Accidents, environmental incidents and real or perceived threats to the environment or the amenity of local communities could result in a loss of the Company's social licence to operate leading to delays, disruption or the shut-down of operations. Potential environment and safety risks include equipment failure, human errors in underground operations, vehicle and mining equipment interactions in open cut operations, roof fall hazards in underground operations and spontaneous combustion risks.

The Company engages with a number of different stakeholders in the communities within which it operates. Stakeholder related risks include:

- the requirement to comply with the *Native Title Act 1993* (Cth) which can delay the grant of mining tenements and impact the timing of exploration, development and production operations;
- the ability to reach agreement with local landholders in relation to acquisition and/or access terms which may delay the timing of project development; and
- notwithstanding the contributions made to the communities within which the Company operates, local communities may become dissatisfied with the impact of operations or oppose new development projects. There is also the possibility of anti-coal activism targeted towards the Company's projects.

Whitehaven has a comprehensive environmental, health and safety management system to mitigate the risk of incidents and to ensure compliance with environmental and safety laws. The Company also has a dedicated community relations team that engage with local communities to ensure that community issues are understood and addressed appropriately.

Details of how the Company engages effectively with the communities in which we operate and steps which the Company takes to maintain its social licence to operate are set out in the Sustainability Report contained in the Company's 2020 Annual Report.

Environmental Regulation

The coal sector is subject to a broad range of environmental laws, regulations and standards including in relation to greenhouse gas emissions. Evolving regulation and standards could result in increased costs, regulatory action, litigation or, in extreme cases, threaten the viability of an operation.

Whitehaven actively monitors legislative and regulatory developments and engages appropriately with legislative and regulatory bodies to manage this risk.

Climate Change Risk

The physical and non-physical impacts of climate change may affect the Company's assets, production and the coal markets where its high quality coal products are sold. These impacts may include severity and frequency of weather patterns, policy and regulatory change and coal demand responses. Further details in relation to climate change risks are set out in the Company's 2020 Sustainability Report.

The International Energy Agency (IEA) has forecast under its Stated Policies Scenario (its central scenario, which assumes that all of the Nationally Determined Commitments (NDCs) as provided by countries after the 2015 Paris COP21 meeting are met in full) that global coal demand will remain stable until at least 2040 – with relatively strong demand in the broad Asian region, Whitehaven's key export market. The IEA regularly makes projections about world coal demand based on various future scenarios for energy development. The IEA does provide other projections – Sustainable Development Scenario (lowest project

coal use) and the Current Policies Scenario (highest project coal use). Further details are available in the IEA World Energy Outlook 2019 Report, available at: <https://webstore.iea.org/world-energy-outlook>.

COVID-19

As with most businesses around the world the COVID-19 pandemic has presented a range of health, commercial and financial risks to Whitehaven. This includes risk to continuity of operations, and potential disruptions to the movement of goods and people. Since before the pandemic emerged in Australia, we have been carefully planning to ensure continuity of supply of inputs, and have taken a range of steps – including direct advocacy to key government and other stakeholders – to ensure our workforce is ready to respond to the pandemic and is not adversely impacted by domestic border restrictions, limiting the operational impacts we have experienced. Whitehaven, and the resources sector more broadly, has so far demonstrated its resilience in the face of COVID-19. It has been widely acknowledged that the comprehensive suite of measures adopted across the resources sector quickly became the model for others to emulate. The development and rapid implementation of our response plan kept our people safe and supported continuity of production and employment. More broadly the experience of responding to COVID-19 has validated the robustness of our WHS systems and procedures and ensured our preparedness to manage any future emerging risks of this nature.

The exceptional circumstances stemming from the pandemic have resulted in uncertainty surrounding public health and the global economy, including impacts on energy and industrial markets. Short-term demand for both metallurgical and thermal coal has contracted as a result of measures employed in many countries to slow the spread of the virus. Despite uncertainties surrounding the economic outlook, the fundamentals of our business model remain robust. Throughout the pandemic, our portfolio of coal products have remained sought after and well sold under long term contracts to the cornerstone high-energy, low-impurity coal markets of Japan, Korea and Taiwan, as well as emerging markets in developing southeast Asian nations. In contrast, lower-energy and/or higher-impurity coal basins globally have traditionally been the first to exit the seaborne coal market during times of declining demand, and this has been borne out during the first half of CY20. We expect our customer nations to capitalise on their installed and planned coal-fired power generation to underpin their economic recoveries when the threat of the pandemic is either eliminated or can be sustainably managed. Whitehaven actively monitors and responds to all factors with potential to impact global supply and demand for our products.

Principle 8 – Remunerate Fairly and Responsibly

Whitehaven's remuneration policy and practices are designed to attract, motivate and retain high quality people. The policy is built around the following principles:

- remuneration being competitive in the markets in which the Company operates; and
- remuneration being linked to Company performance and the creation of shareholder value.

Whitehaven has a Remuneration Committee whose responsibilities include considering the Company's remuneration strategy and policy, overseeing the Company's human resources strategy and making recommendations to the Board that are in the best interests of the Company and its shareholders. The Committee is comprised of a majority of independent Directors, is chaired by an independent Director and has three members.

The Remuneration Committee has a formal charter which sets out its roles and responsibilities, composition structure and membership requirements. A copy of this charter can be viewed on Whitehaven's website.

The remuneration of non-executive Directors is fixed by way of cash and statutory superannuation contributions. Non-executive Directors do not receive any options, bonus payments or other performance related incentives, nor are they provided with any retirement benefits.

More information relating to the remuneration of non-executive Directors and senior managers is set out in the Remuneration Report in the 2020 Annual Report. As required by the Corporations Act 2001 (Cth), a resolution that the Remuneration Report be adopted will be put to the vote at the Annual General Meeting, however the vote will be advisory only and will not bind the Directors of the Company.

Under Whitehaven's Securities Trading Policy, members of the Company's key management personnel and other employees nominated by the Board must not enter into hedging arrangements over their unvested securities. A copy of the Policy can be viewed on Whitehaven's website.

CORPORATE RESPONSIBILITY – TAXATION

Whitehaven recognises and accepts its responsibility to comply with all laws relating to the reporting and payment of all taxes on a timely basis. The tax strategies, policies, resources, procedures and controls set in place by the Board, management and staff should at all times support this status.

The Board has approved a Tax Governance and Risk Management Framework under its Audit & Risk Management Committee to ensure:

- The assessment of tax risk, functions and profiles and roles of key parties;
- The escalation to the Board of matters of a material impact;
- The communication of the strategic intent of the group to key parties;
- The identification of key tax liabilities and relevant compliance reporting functions and the assessment of the factors which may impact on these;
- The specific roles and required capabilities of management, staff and advisors; and
- The periodic review of its tax functions.

18 September 2020