Yancoal Australia Ltd

Board Charter

Approved by the Board on 19 December 2025

Introduction

The Board of Yancoal Australia Ltd (the **Company**) has adopted this Charter to outline the manner in which its constitutional powers and responsibilities will be exercised and discharged, having regard to principles of good corporate governance, international best practice and applicable laws.

Structure and composition

The Board is appointed by the Shareholders in accordance with the Constitution of the Company. Under the Constitution, the Company must have at least four Directors.

Consistent with the Company's undertaking to the Treasurer of the Australian Federal Government, the Company must have at least two Directors whose principal place of residence is in Australia, at least one of whom is independent, as defined by the *Independence standard* set out below.

Subject to the Constitution of the Company and the requirements set out above, the Board will be of such size and competence necessary to understand and properly deal with the current and emerging issues of the business of the Company.

The Board should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business, and should ensure that the Directors devote sufficient time and make contributions to the Company that are commensurate with their role and board responsibilities.

The Board, together with the Nomination and Remuneration Committee, will review the skills represented by Directors on the Board and determine whether the composition and mix of those skills remain appropriate for the Company's business activities and strategy, subject to limits imposed by the Constitution and the terms served by existing Directors.

Independence standard

Without limiting the Board's discretion, the Board has adopted the following guidelines to assist in considering the independence of Directors. In general, and subject to compliance with the independence criteria set out in applicable Listing Rules of the Australian Securities Exchange (**ASX**) and the Hong Kong Stock Exchange (**HKEX**) (collectively, the **Listing Rules**), a Director is considered independent if the Director:

1. is not, nor has within the last three years been, employed in an executive capacity by the Company or any of its child entities;

2. is not, nor has within the last three years been, a partner, principal, director or senior employee of a provider of material professional services to the Company or its holding company or any of their respective child entities;
3. is not, nor has within the last three years been, in a material business relationship (e.g. as a supplier, professional adviser, consultant or customer) with the Company or any of its child entities, or an officer of, or otherwise associated with, someone with such a relationship;
4. does not receive performance-based remuneration (including options or performance rights) from, or participate in, an employee incentive scheme;
5. does not hold more than 1% of the number of issued shares of the Company;
6. is not an officer of, or otherwise associated with, a substantial Shareholder of the Company;
7. is not, nor has been within the last three years an officer or employee of, or a partner, principal, director or employee of a professional adviser to, a substantial Shareholder of the Company;
8. does not have a material contractual relationship with the Company or any of its child entities other than as a director;
9. does not have, nor within one year prior to the appointment had any material interest in any principal activity of or is not or was not involved in any material business dealings with the Company, its holding company or their respective child entities;
10. does not have close personal ties with any person who falls within any of the categories described above;
11. has not been a director of the Company for such a period that his or her independence from management and substantial holders may have been compromised; and
12. is free from any other interest, position, association or relationship that might interfere, or might reasonably be seen to interfere, with the director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its shareholders generally.

When determining the independence of a Director, the same factors should also apply to the Director's immediate family members[1].

The Board will consider the materiality of the Directors' interests, position, association or relationship for the purposes of determining 'independence' on a case by case basis, having regard to both quantitative and qualitative principles.

The qualitative assessment will override any quantitative assessment. Specifically, the Board will consider whether there are any factors or considerations which may mean that the Director's interest, business or relationship could, or could be reasonably perceived to, materially interfere with the Director's ability to act in the best interests of the Company or are likely to affect, or could appear to affect, their independent judgement.

Disclosure of independence

Each independent non-executive Director must regularly, and at least annually, provide the Board all information relevant to their compliance with the *Independence standard* set out above. Independence will be assessed regularly by the Board together with the Nomination and Remuneration Committee, and at least annually at or around the time that the Board or the

[1] "Immediate family member" of an individual means his/her spouse, child or stepchild, natural or adopted, under the age of 18 years.

Nomination and Remuneration Committee considers candidates for re-election to the Board. Every Nomination and Remuneration Committee member should abstain from assessing his/her own independence.

Authority and Delegation

The Board's powers are set out in rule 8.7 of the Constitution and, subject to the Constitution and the Corporations Act, include:

- managing the business of the Company;
- all the powers of the Company that are not required to be exercised by the Shareholders; and
- approving the execution of any legal or financial documents on behalf of the Company (other than documents which require the approval of the Shareholders).

The Board may delegate any of its authority to —

- a Director;
- a committee of Directors;
- an employee of the Company; or
- any person.

However, Directors should be held accountable for their actions or inactions, and where appropriate, take the shareholders' and stakeholders' view into account in their decisions. The ultimate responsibility to monitor compliance with applicable legislation, business strategy and control rests with the Directors.

Role and Responsibilities

Board Role

The Board's role is (subject to approval by the Shareholders where required under the Constitution) to:

- demonstrate leadership;
- shape and monitor the Company's culture;
- establish the Company's purpose, values and strategy, and satisfy itself that these and the Company's culture are aligned;
- oversee Management in instilling the Company's values;
- represent and serve the interests of Shareholders by overseeing and appraising the Company's strategies, policies, and performance. This includes overseeing the financial and human resources the Company has in place to meet its objectives and reviewing management performance periodically;
- protect and optimise Company performance and build sustainable value for Shareholders in accordance with any duties and obligations imposed on the Board by law and the Company's Constitution and within a framework of prudent and effective controls that enable risk to be assessed and managed;
- review and ensure compliance with the Company's values, code of conduct and governance framework so as to underpin a culture of acting lawfully, ethically and responsibly;
- ensure the fullest communication with Shareholders and the Company's recognition of

their interest e.g. ensure Shareholders are kept informed of the Company's performance and major developments affecting its state of affairs, subject to the applicable rules relating to continuous disclosure;
- monitor the Company's solvency; and
- monitor compliance with relevant laws.

Board key responsibilities

The key responsibilities of the Board include the following (subject to approval by the Shareholders where required under the Constitution).

Direct the affairs of the Company

- Review and approve the Company's strategic objectives and five−year Corporate Plan;
- Review and approve the annual production plan, annual sales plan, annual operational expenditure plan, annual capital expenditure plan and annual financial budget of the Company (after the Audit and Risk Management Committee has reviewed the framework for the preparation of the annual financial budget by Executive Committee and management's consultation process undertaken with the Majority Shareholder);
- Approve plans for the establishment of, and changes to, the internal management structure of the Company and monitoring the effectiveness of the Company's governance practices (including any delegated authorities);
- Ensure that an appropriate framework exists for relevant information to be reported to the Board and whenever required, challenging management and holding it to account;
- Ensure that the appropriate regulators in Australia, Hong Kong and the People's Republic of China (**PRC**) are notified (if required) and that relevant approvals as may be required are obtained in relation to investments and disposals of assets;
- Review and approve any single or accumulated investments in the last 12 months that are less than A$100 million;
- Review and approve any single or accumulated disposals in the last 12 months of the assets of the Company that are less than A$100 million;
- Review and approve any program for increasing the issued capital of the Company, subject to Shareholder approval where required under the Constitution and relevant disclosure requirements under the Listing Rules;
- Review and approve any significant operational and external communications by the Company other than any that are to be approved by the Shareholders (and other than any required by law to be made in a timeframe in which it is not practicable to obtain Board approval, for example ASX continuous disclosure notices);
- Review and approve the Company's financial accounts for submission to relevant Australian regulatory authorities, approval of the Majority Shareholder and for tabling at the Company's annual general meeting;
- Review and approve the Company's sustainability report for submission to relevant regulatory authorities and for tabling at the Company's annual general meeting;
- Review and approve the Corporate Governance Statement, and any other reports that the Board is required by law or under the Listing Rules to approve;
- Approve the remuneration of the Company's external auditor for temporary work outside the scope of the annual audit;
- Determine the level of insurance and approve the purchase of any insurance for Directors and officers of the Company;
- Approve the creation of any reserve from the revaluation of any assets and the cancellation of any such reserve unless such creation or cancellation is required by any

applicable laws, regulations or accounting standards;

- Propose the terms on which securities in the Company (including shares, options and rights) are made available to employees of the Company;
- Consider and where appropriate, recommend any changes to the Company's Constitution; and
- Oversee the Strategy and Development Committee's and the Health, Safety, Environment and Community Committee's activities.

All approval thresholds will be applied on a group basis whereby all acts and /or decisions of the Company's subsidiaries will be aggregated with the acts and/or decisions of the Company for this purpose (subject, in the case of a non-wholly owned subsidiary, to law and to and any rights of the other shareholders).

The Board may exercise all powers of the Company which are not required to be exercised by Shareholders under the Constitution.

Oversee the appointment, remuneration, and performance of senior management

- Approve the appointment and removal of all members of the Executive Committee;
- Define and approve the role, duties, responsibilities and performance indicators for the Chair of the Executive Committee (**CEC**) and Chief Executive Officer (**CEO**);
- Set performance targets for and monitor performance of the CEC and CEO;
- Appoint and remove the Chief Financial Officer and the Company Secretary on the recommendation of the Chairman of the Board;
- Approve and monitor the process used to evaluate senior management performance;
- Approve the remuneration arrangements for all members of the Executive Committee (except for any Director) and senior executives;
- Ensure that the Company's remuneration policies are aligned with its purpose, values, strategic objectives and risk appetite;
- Ensure that all directors and senior executives are party to a written agreement setting out the terms of their appointment to the Board;
- Manage, together with the Nomination and Remuneration Committee, succession planning for the positions of CEC, CEO and other senior executives;
- Oversee the Remuneration and Nomination Committee's activities; and
- Approve the measurable objectives for achieving gender diversity developed by the Nomination and Remuneration Committee, and any changes to these objectives recommended by the Committee.

Set and monitor the Company's risk management strategy

- Approve, review and monitor systems of internal control and risk management, financial reporting, the Company's human resources and remuneration policy, and other fundamental policies;
- Approve, review and monitor compliance with the Company's key corporate policies and protocols;
- Monitor the Company's operations in relation to, and compliance with, relevant laws and regulatory requirements, including the Listing Rules;
- Ensure that the Company has an appropriate risk management framework (for both financial and non-financial risks), and set the risk appetite within which the Board expects management to operate;

- Ensure that the review of the effectiveness of the Company's risk management and internal controls systems, which shall be conducted at least annually, is adequately resourced.
- Oversee climate-related risks and opportunities (including setting and monitoring climate-related targets (if any));
- Ensure the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit, financial reporting functions, as well as those relating to the Company's ESG (including climate-related) performance and reporting;
- Oversee the Audit and Risk Management Committee's activities;
- Review and monitor the process that management has in place to identify and manage business opportunities and risks (including ESG and climate-related risks and opportunities) and climate-related development and performance;
- Evaluate and determine the framework for determining the extent, types and likelihoods of risk that are acceptable for the Company to bear; and
- Review with management the process for determining the key business risks, how they are being managed and what, if any, modifications in risk management and climate strategies, controls, procedures and policies should be adopted.

Directors

General Director responsibilities

- Directors must act at all times with honesty and integrity and will observe the highest standards of ethical behaviour;
- Directors must ensure that no decision or action is taken that has the effect of prioritising their personal interests over the Company's interests;
- Directors must use all reasonable measures to attend Board meetings in person. Directors unable to attend a Board meeting must inform the Company Secretary (who will then inform the Chair and other Directors) as soon as practicable and provide an explanation for non-attendance;
- Directors:
    - when new to the Board, will be expected to participate in all induction and orientation programs; and
    - will be expected to participate in any professional development opportunities arranged for them; and
- Directors must read and review all Board papers, including monthly reports, quarterly reports and annual reports as provided to them from time to time.

Directors' Duties under the *Corporations Act 2001* (Cth)

- Directors must act with a degree of care and diligence that a reasonable person would exercise if they were a director in the Company's circumstances and had the same responsibilities of that director;
- Directors must act in good faith in the best interests of the Company and for a proper purpose; and
- Directors must not improperly use their position or information to gain an advantage for themselves or someone else or to cause detriment to the Company.

Effective Communication and Challenge

- Ensuring a strong independent element on the Board is key to an effective board, which

can effectively exercise independent judgment. The Board should promote an environment of open communication and effective challenge to encourage a range of views as a sound culture encourages transparency, open dialogues and proactive engagement within the Board and between (a) the management and the board, (b) the management and the employees at all levels, and (c) the management with all stakeholders.

- The Board should establish mechanisms to facilitate effective communications and ensure independent views and input are available to the Board in the decision-making process. The Board should review the implementation and effectiveness of such mechanism on an annual basis.

Access to independent advice

- The Board collectively, and each Director individually, has the right to seek independent professional advice at the expense of the Company, subject to the approval of the Chair, or the rest of the Board as a whole.

Keeping non-English speaking directors informed

- The Company will ensure that:
  - board papers or any other key corporate documents are distributed to a Director in a language the Director speaks and understands where that Director does not speak and understand English; and
  - a translator is available at Board meetings (whether in person, by telephone or otherwise) to assist in translating the content of all discussions at those meetings to ensure all Directors can understand and contribute to the discussions at those meetings.

The Chair

- Members holding a majority of the issued shares of the company conferring the right to vote (**Majority Shareholders**) may nominate a Director to the office of Chairperson of the Board and may elect one or more Directors to the office of Vice Chair of the Board by writing delivered to the Company; and
- One Vice Chair, who is nominated by the Majority Shareholder, will be appointed by the Board to be the CEC and assume the duties of the CEC as provided for in this Charter and the Executive Committee Charter.

Duties of the Chair

The Chair will —

- chair Board meetings (unless otherwise delegated to another Director by the Chair);
- establish the agenda for Board meetings;
- chair meetings of Shareholders, including the Annual General Meeting of the Company and ad hoc meetings of Shareholders (unless otherwise delegated to another Director by the Chair);
- be kept fully informed by senior management of all material matters which may be relevant to Directors, in their capacity as Directors of the Company;
- provide guidance and mentoring to the CEC and CEO;
- ensure the process of Board evaluation is conducted;
- oversee investor relationship management and overall investor communication

strategy or delegate it to other Directors and/or senior managers;
- exercise the casting vote if the votes are equal on a proposed resolution. If the Chair is not present at a meeting of Directors, the Chair may, in his or her discretion, nominate another Director to have a casting vote in the Chair's absence by written notice to the Board; and
- fulfil such other responsibilities as are allocated by the Constitution or the Listing Rules from time to time.

Duties of the Vice Chairs

The Vice Chairs will —

- chair Board meetings if the Chair is not able to be present at the meeting;
- chair meetings of Shareholders, including the Annual General Meeting of the Company and ad hoc meetings of Shareholders if the Chair is not able to be present at the meeting; and
- fulfil such other responsibilities as are allocated by the Chair from time to time.

The Company Secretary

- The Board will have the power to appoint and replace the Company Secretary.
- The person(s) acting as Company Secretary must comply with the requirements under applicable laws and applicable Listing Rules.

Duties of the Company Secretary

- The Company Secretary is accountable directly to the Board, through the Chair;
- The Company Secretary is responsible for ensuring compliance by the Company, directors and senior management of the Company with the Company's Constitution, the provisions of the Corporations Act and other applicable laws and the Listing Rules as they relate to the Company;
- The Company Secretary is responsible for keeping abreast of the developments in laws, rules and regulations that may affect the Company's business operations, and briefing the Board on these developments;
- The Company Secretary is responsible for ensuring that the board receives ongoing training on regulatory developments that are relevant to the Company's business developments and status as a listed company;
- The Company Secretary is responsible for the provision of corporate governance advice to the Board;
- The Company Secretary is responsible for ensuring that the Company's books and registers required by the Corporations Act, the Hong Kong Securities and Futures Ordinance (**SFO**) and other applicable laws are established and properly maintained;
- The Company Secretary is responsible for ensuring that all notices and responses are lodged with ASIC, ASX and HKEX on time;
- The Company Secretary is responsible for organising and attending Shareholder meetings and Directors' meetings, including sending out notices, preparing agendas, marshalling proxies and compiling minutes; and
- All Directors will have direct access to the Company Secretary.

Meetings

Meetings of the Board should be held at least four times per year to ensure that the Directors are kept informed on a timely basis of all material matters affecting the Company, or as frequently as required.

The Chair of the Board or any three Directors may, whenever they think fit, call a meeting of the Directors.

No business may be transacted at a meeting of directors unless a quorum of Directors is present at the time the business is dealt with. Unless the directors decide differently, at least half of the Directors constitute a quorum. If there is a vacancy in the office of a Director, the remaining Directors may act provided that if their number is not sufficient to constitute a quorum, they may only act in an emergency or to increase the number of Directors to a number sufficient to constitute a quorum.

The Company should ensure Directors can participate in Board proceedings in a meaningful and effective manner. Directors should be provided, in a timely manner, with appropriate information in the form and quality to enable them to make an informed decision and perform their duties and responsibilities. Directors should receive Board papers and related material with sufficient time to read and review prior to the relevant meeting.

The Chair of the meeting should ensure, through the CEO, the availability and, if necessary, the attendance of any member of executive management or adviser at Board meetings as required or appropriate.

The Company's Constitution governs the regulation of Board meetings and proceedings.

The Chair of the Board should at least annually hold meetings with the independent non-executive Directors without the presence of other Directors.

Minutes

Minutes of proceedings of Board meetings will be kept and prepared promptly by the Company Secretary following the Board meeting.

Minutes of Board meetings shall record in sufficient detail the matters considered by the Board and decisions reached, including any concerns raised by Directors or dissenting views expressed.

Draft versions of minutes of such meetings will be distributed to the person who chaired the meeting for his / her comment within a reasonable time after such meetings.

Minutes of Board meetings will be tabled at a subsequent Board meeting for all Directors to review and approve. Finalised minutes of meetings should be made available to all Directors upon request.

The register of minutes will be kept by the Company Secretary and be open for inspection on reasonable notice by any Director.

Circulating resolutions

Urgent matters that cannot wait until the next Board meeting can be dealt with by a circulating resolution. Where a substantial shareholder of the Company or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter should be dealt with by holding a Board meeting instead of by circulating resolutions.

Circulating resolutions should be approved by the Chair before being circulated and should normally be preceded by a telephone meeting if considered necessary.

Conflicts of interest

As a general principle, each Director must bring an enquiring, open and independent mind to Board meetings, listen to the debate on each issue raised, consider the arguments for and against each motion and reach a decision that he or she believes, to be in the best interests of the Company as a whole irrespective of any actual or possible conflict of interest and in accordance with the Company's code of conduct and policies relating to conflicts of interest.

Delegation to Board committees

The Board may establish the following standing committees —

- Audit and Risk Management Committee;
- Nomination and Remuneration Committee;
- Strategy and Development Committee; and
- Health, Safety, Environment and Community Committee.

The Board will appoint the Chair of each of these standing committees.

The Board will consider and approve the charters of these standing committees.

These committees are designed to consider specific matters and make recommendations to the Board. The Board must make an independent assessment of the recommendations, having regard to the Board's knowledge of the business and risks of the Company and the complexity of the structures and operations of the Company.

The Board may from time to time establish other committees to streamline the discharge of its responsibilities.

Copies of any committee minutes and agendas (and where appropriate, papers) are made available to the Board in respect of each committee.

Establishment of Independent Board Committee

The Board will establish a committee comprised of independent directors to advise shareholders where required under the Listing Rules or applicable laws or regulations.

Delegation to executive management

Management must through the CEC and CEO supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively.

Any Director may communicate directly with employees of the Company but such communications are to be made having regard to the efficient operation of the Company and the need to preserve and maintain an effective chain of command and the confidentiality of the Board's deliberations.

Where individual Directors wish to communicate with executive management or with other employees or representatives of the Company in relation to Company business, the Chair must whenever reasonably practicable facilitate those communications.

Role of the CEC

- The CEC will be the Chair of the Executive Committee;
- The CEC has responsibility for monitoring the implementation of strategic objectives, plans and budgets approved by the Board;
- The CEC has responsibility for calling and chairing the Executive Committee meetings, as outlined in the Executive Committee Charter;
- The CEC is responsible for approving any proposals to be referred to the Board; and
- The CEC will fulfil such other responsibilities as delegated to him/her by the Board from time to time.

Role of the CEO

- The management function is conducted by, or under the supervision of, the CEO as directed by the Board (and by other senior executives to whom the management function is properly delegated by the CEO);
- The Board approves corporate objectives for the CEO to satisfy and develops the duties and responsibilities of the CEO;
- The CEO is responsible for implementing strategic objectives, plans and budgets approved by the Board;
- The CEO has overall responsibility for the operations of the Company (other than those items that have been delegated to the CEC);
- The CEO will fulfil such other responsibilities as delegated to him by the Board from time to time; and
- The CEO is accountable to the Board and reports to the Chairman of the Board and the CEC.

Role of the Executive Committee

- The Executive Committee comprises the CEC, the CEO, another Director appointed by the Majority Shareholder (if any), the Chief Financial Officer, the EGM of Operations , the EGM Marketing & Logistics, the Company Secretary, Chief Commercial Officer, EGM of Audit and Risk and any other senior executives that the Board resolves will be members of the Executive Committee;
- The role of the Executive Committee is to:
    - be a discussion forum for senior executives;
    - be an additional forum to facilitate communication between senior executives and the Board; and
    - fulfil the responsibilities set out in its charter, as amended by the Board from time to time.

Remuneration

The level of Director remuneration will be determined by the Majority Shareholder so as to attract the best candidates for the Board while maintaining a level commensurate with boards of similar size and type. The Majority Shareholder will consider recommendations made by the Nomination and Remuneration Committee. In general, no equity-based remuneration (e.g. share options or grants) with performance-related elements shall be granted to independent non-executive directors as this may lead to bias in their decision making and compromise their objectivity and independence.

Performance evaluation

- On a periodic basis, Directors will provide written feedback in relation to the performance of the Board, its committees and individual Directors against a set of agreed criteria;
- At such time each committee of the Board will also be required to provide feedback in terms of a review of its own performance;
- Feedback will be collected by the Chair of the Board, or an external facilitator, and discussed by the Board, with consideration being given as to whether any steps should be taken to improve performance of the Board or its committees;
- The CEC and CEO will also provide feedback from senior executives in connection with any issues that may be relevant in the context of the Board performance review;
- Where appropriate to facilitate the review process, assistance may be obtained from third party advisers.

Code of Conduct

The Company has a code of conduct which sets out the way it conducts its business and guides the behavior of everyone in the Company (including employees, contractors and directors) by clearly stating the Company's firm commitment to operating legally, honestly, and to the highest level of integrity and ethical standards in all business practices. A copy of the Company's code of conduct is available via the electronic Yancoal intranet and the Company's website.

Any material breaches of the Company's code of conduct should be reported to the Board or the Audit and Risk Management Committee.

Access to Board charter

This Charter will be provided to each Director of the Company, senior executives, internal and external auditors and shareholders and copies will be available on request to the Company Secretary. The Charter is available via the electronic Yancoal intranet and the Company's website.

Review of Board charter

The Board will, at least once in each financial year, review this Charter, and the charter of each of the committees, and make any amendments it determines are necessary or desirable.