



**TWINZA OIL LIMITED  
AND ITS CONTROLLED ENTITIES  
("Twinza")**

**GOVERNANCE POLICY  
1 July 2015**

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## I PURPOSE

The purpose of this document is to set out the general terms in which Twinza Oil Limited is governed and to highlight the key policies and procedures which its board of directors (the "Board") has implemented. This Governance Policy applies to Twinza Oil Limited and its controlled entities (collectively "Twinza", the "Company" or "we") and all Twinza Personnel. For the purposes of this Governance Policy "Personnel" means directors, officers, employees, consultants, agents and contractors employed by or contracting with Twinza and acting on Twinza's business regardless of location. This Governance Policy is subject to ongoing review and may be updated from time to time as necessary. All Twinza Personnel and associated third parties are required to acknowledge understanding and acceptance of this Governance Policy (and any revised versions).

## 2 COMPANY VALUES AND CODE OF CONDUCT

### 2.1. Twinza's Values - the way we do things at Twinza

<b>Respect</b>	We respect each other and Company property
<b>Integrity</b>	We stand by our word ensuring a reputation as a highly professional team delivering on commitments to all stakeholders
<b>Honesty</b>	We are open, honest and fair in our dealings with people based on a clear set of ethical standards
<b>Personal Commitment</b>	We are personally responsible for acting in accordance with the law, Twinza's Values, Code of Conduct and the Company policies, and be accountable for expected results
<b>High Performance</b>	We strive at all times to achieve the highest possible standards and promote such standards throughout Twinza.

### 2.2. Twinza's Code of Conduct

1. We will be honest and ethical in all of our actions and relationships and act in the interests of the shareholders.
2. As a minimum, we will observe the rule and intent of all relevant governmental laws, regulatory and professional rules, and guidelines.
3. We will maintain an appropriate level of confidentiality at all times with respect to the Company, Personnel and business associates' information.
4. We will act fairly, be honest, open, and accountable in all dealings with internal and external parties.
5. We will avoid situations in which individual personal interest may conflict with the interest of the company and communicate any real or potential conflict of interest to the Board.
6. We will maintain accurate records of the Company business, in accordance with applicable procedures and accounting standards and that financial information is complete, fair, timely, and understandable.
7. Where commercially prudent, financial information is openly available to internal and external users.
8. We will maintain systems of sound internal controls and procedures, and act in a manner to protect the Company's assets, appropriately manage risk, and ensure financial information is complete and accurate.
9. We will uphold the Company's values and principles as reflected in this Code, the Company's policies, standards, and charters.
10. In fostering ethical, fair and legal behaviour, we encourage all Personnel to report any questionable practice. Reprisals against people for reports made in good faith will not be tolerated.
11. Any request for a waiver of the provisions of this Code may only be considered by the Company's Board. Any waiver granted will be promptly disclosed.
12. Any suspected violations of this Code should be reported promptly to the Company Secretary, or alternatively to an independent Board member. Violations will be investigated by the Company Secretary, or by a person or persons designated by the Board, and appropriate action will be taken in the event of any violations of the Code.

## 3 POLICIES

### 3.1. Complaints Policy (minor complaints)

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#### 3.1.1. Overview

This clause 3.1 sets out the policy and process for all Personnel who may lodge a complaint relating to:

- unfair or offensive behaviour or treatment;
- deliberate breaches of controls; and
- infringement of the Company policies.

#### 3.1.2. Guidelines

All Personnel are encouraged to refer to this Complaints Policy for the reporting of behaviour or activity that is offensive, results in unfair treatment or infringes the Company's policies.

If the matter cannot be resolved with the parties involved or if a Personnel feels intimidated to raise the matter directly with the other party they should contact the Company Secretary.

Upon receiving a complaint the Company Secretary will record the complaint and promptly commence an investigation into the complaint. If there is evidence of criminal activity the appropriate authorities will be informed.

An investigation will generally involve:

- informing the Personnel about whom the complaint is made;
- preparing a report on the investigation with recommendations that is forwarded to the Managing Director, or if appropriate, the Chairman of the Board;
- a determination by the Managing Director or Chairman, as applicable, as to what action is to be taken; and
- a copy of the report being kept on file for twelve months.

The Company Secretary will assess the complaint and recommend a proposal for resolution.

If the nature of the complaint is serious, e.g. it involves a suspected breach of any law, unethical behaviour or manipulation of the audit process, the Personnel making such complaint can afford themselves protection under the Company's Whistleblower Policy set out in clause 3.2.

#### 3.1.3. Responsibilities

All Personnel need to ensure that their complaint is:

- well founded and supportable; and
- made in a manner consistent with the Company's values (see clause 2.1).

The Company Secretary is required to act impartially and with conviction in assessing a complaint with the individual's and the Company's values (see clause 2.1) in mind. The Company Secretary will obtain independent advice on matters outside their knowledge or expertise. They will record the complaint and also document the results of their investigation and recommendations. Personal matters will be treated in confidence.

Matters impacting on the Company's disclosure requirements, controls, or risks will be reported to the Audit and Risk Committee.

### 3.2. Whistleblower Policy (serious issues)

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#### 3.2.1. Overview

This clause 3.2 sets out the rights of all Personnel to:

- report any perceived malpractice, impropriety, serious unethical behaviour, legal or regulatory non-compliance or questionable accounting or audit matter; and
- expect and receive protection from any reprisal or detrimental action resulting from such disclosure.

#### 3.2.2. Guidelines

All Personnel are permitted and encouraged to report any behaviour, practice or activity that they, in good faith and on reasonable grounds, believe is:

- unethical or improper conduct;
- financial malpractice, impropriety or fraud;

- contravention or suspected contravention of legal or regulatory provisions; and
- auditing non-disclosure or manipulation of the external audit process.

All Personnel are encouraged to use the internal complaints process if they consider the matter is a minor issue.

It is recommended that any complaint to be reported internally be directed to the Company Secretary, or alternatively an independent Board member. All complaints reported internally will be documented and investigated promptly. If there is evidence of criminal activity the police will be notified.

If a Personnel elects to report a breach or suspected breach of the Corporations legislation and relevant local legislations and regulations under the Whistleblower protection provision of Part 9.4AAA of the Corporations Act 2001, the Company will afford protection to the discloser and will, to the extent it can do so and is legally permitted, keep in confidence the name of the discloser and the content of the disclosure.

Part 9.4AAA of the Corporations Act 2001 relates to disclosures made in good faith and where there are reasonable grounds to suspect a breach of the Corporations legislation and relevant local legislations and regulations.

Twinza will not tolerate any reprisals against any Personnel who disclosed, in good faith and with reasonable grounds, any of the aforementioned behaviours or practices. Twinza will act in the best interest of a discloser to protect them from any victimisation, adverse reaction, or intimidation.

If the disclosure was falsely or maliciously made, Twinza reserves the right to take disciplinary action against the discloser provided it is within applicable laws and does not breach the Company's Code of Conduct (see clause 2.2) or the individual's rights.

If a complaint is made internally, the Company Secretary is required to commence an immediate investigation into the claim. The Company Secretary is required to act impartially and document the complaint, all interviews conducted, the results of the investigation and any recommendations. All investigations will be carried out as quickly as is practicable.

The record of a serious complaint reported internally will be drawn to the attention of the Audit and Risk Committee (maintaining confidentiality at all times). Progress of the investigation will be reported to the Audit and Risk Committee. If the complaint/disclosure is the subject of an internal investigation that reveals genuine problems, the Audit and Risk Committee will be required to take remedial action.

### **3.2.3. Responsibilities**

All Personnel have the following responsibilities when making disclosures under Whistleblower protection:

- make their disclosure in good faith;
- ensure they have reasonable grounds on which to base their disclosure;
- inform their name to the person to whom the disclosure is made before making the disclosure; and
- the disclosure should be made to the Company's auditor or member of an audit team conducting an audit of the Company or a director, secretary or senior manager of a company or a person authorised by the Company to receive disclosures of that kind.

The Company Directors and Management agree to abide by the Whistleblower provision of Part 9.4AAA of the Corporations Act 2001. In doing so the Company is responsible to ensure confidentiality and provide adequate protection for the disclosing Personnel. The identity of the disclosing Personnel in relation to a disclosure made under this policy, can only be disclosed to ASIC, APRA or the Australian Federal Police. Disclosure of such identity to any other organisation or person requires the consent of the discloser (Whistleblower).

## **3.3. Anti-Bribery and Corruption & Anti-Money Laundering Policy**

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### **3.3.1. Overview**

Twinza prohibits any Personnel from engaging in any corrupt behaviour or dishonest behaviour whether through a direct or indirect business practice or any other means, including through agents or intermediaries.

This clause 3.3 sets out Twinza's corporate policy on corruption, including bribery and money laundering, and the principles and procedures designed to ensure that Twinza complies with relevant laws prohibiting corruption and bribery. Those laws include the Australian Criminal Code Act 1995 (Cth) (the Australian Criminal Code), the Organisation for Economic Co-Operation and Development (OECD), Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the U.S. Foreign Corrupt Practices Act, the UK Bribery Act 2010

(collectively "Applicable Laws"), as well as other guidelines and standards that comprise best business practices. This policy applies to all Personnel, and compliance with it and with all Applicable Laws is mandatory.

Bribery includes offering, promising, giving, accepting or seeking a bribe, which is a financial or other inducement or reward for action which is illegal, unethical, a breach of trust or improper in any way. Bribes can take the form of money, gifts (excluding those set out in clause 3.3.2.5), loans, fees, hospitality, services, discounts, the award of a contract or any other advantage or benefit.

Money laundering is the channelling of cash or other funds generated from illegal activities through legitimate financial institutions and businesses to conceal the source of the funds, and is an issue of major concern to governments throughout the world.

Corruption means any of bribery, extortion, fraud, deception, collusion, participation in an abuse of power, or money laundering.

If any Personnel is uncertain whether an activity or practice constitutes corruption, the issue should be referred to the Company Secretary, or alternatively an independent Board member.

Corrupt behaviour includes:

- The offer, promising, giving, causing to be offered or provided, accepting and intended or actual receipt of any hospitality, gift (excluding those set out in clause 3.3.2.5), loan, fee, reward, benefit or other advantage to or by any person, including:
  - a public official, at a national, local or international level;
  - a political party, party official or candidate; and
  - an officer, employee or agent of a private enterprise

in order to obtain or retain a business or other improper advantage (e.g. in connection with regulatory permits, taxation, customs, judicial or legislative proceedings) or to do something which is dishonest, illegal or a breach of trust or where the benefit is not legitimately due to that person.

- Any arrangement that involves special consideration beyond the typical 'arms length' deals to gain influence or favour.
- Any process for giving or receiving unjustifiable rewards, 'kickbacks' or facilitation payments both in monetary and non-monetary terms, including, but not limited to, kick-backs of any portion of a contract payment to government officials or to employees of another contracting party. Kickbacks are typically payments made in return for a business favour or advantage. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine or necessary action (e.g. payments to a government official).
- Utilization of intermediaries such as agents, subcontractors, consultants or other third parties to channel payments to government officials or employees of other contracting parties, or the relatives, friends or business associates of either of the foregoing.
- Any process or attempt to conceal the true origin and ownership of unlawful funds in an attempt to make them appear legitimate.
- The abuse of entrusted power for private gain.
- Any actions or words which might reasonably be interpreted by other people to indicate a willingness to engage in any of the corrupt behaviour outlined above.
- Knowingly allowing any person to believe that the Company, or any Personnel of the Company, is willing to engage in any corrupt behaviour.

The Company does not make and will not accept facilitation payments or kickbacks of any kind.

Twinza will not make contributions to political parties, party officials, and candidates. Any charitable donations which are legal and ethical in accordance with applicable law, spending limits and public disclosure requirements must only be offered and made with the prior written approval from the Company Secretary of the Company, and recorded in the Company's donations register.

All Personnel must refer any allegation of corrupt behaviour (or suspicion thereof) to the Company Secretary so that an investigation can be conducted as soon as possible.

All transactions and all business relationships involving Twinza wherever occurring must be conducted in a manner that maintains the reputation of Twinza for integrity and best business practices. Even the appearance of impropriety is to be avoided.

Violation of this policy could result in the imposition of criminal penalties against Twinza, including large fines and debarment from conducting business with the governments of Australia, the United States, the United Kingdom and,

possibly, other jurisdictions, as well as the imposition of fines against, and terms of imprisonment of, individual Personnel. In addition, failure of Personnel to comply with this policy will be grounds for termination or other disciplinary action.

To aid in the prevention of the above:

- **Bribery Risk Assessment:** Twinza will regularly assess its global exposure to potential external and internal risks of bribery on its behalf by any Personnel or other third person or entity performing services for or on behalf of Twinza ("Associated Persons"). The risk assessment will be overseen by the Board and will be carried out by the Company Secretary or a member of the Audit and Risk Committee. The assessments will review country, sectoral, transaction, business opportunity, and business partnership risk in Twinza's operations and activities. The risk assessment will also review how Twinza's internal structure and procedures affect the bribery risk, including Personnel training, skill, knowledge of this Anti-bribery and corruption policy, the policies and procedures for gifts and entertainment, the codes relating to ethical conduct and conflicts of interest, and the Company's financial controls.
- **Due diligence of Associated Persons:** Twinza will carry out thorough due diligence on Associated Persons to satisfy itself that any Associated Persons are not likely (directly or indirectly) to bribe or engage in corruption. It will review and periodically repeat similar due diligence on existing Associated Persons. Guidance on the due diligence requirements and process will be provided by the Company Secretary.
- **Business relationships with Associated Persons:** it is the responsibility of all Personnel whose work involves them dealing with Associated Persons to monitor the behaviours of those Associated Persons which may contravene the requirements of this policy and any Applicable Laws. Any concerns must be reported immediately by Personnel to their immediate supervisor, the Company Secretary, or a member of Twinza's senior management. Where possible, Associated Persons should be required to comply with Twinza's anti-bribery and corruption policies and procedures.
- **Training:** regular training on bribery and corruption awareness and prevention will be provided to Personnel, who will be required to sign annual certificates of compliance with this policy.
- **Monitoring and review:** The Company Secretary will be responsible for reporting annually to the Board, evaluating the effectiveness of this anti-bribery and corruption policy, and ensuring its review to remain compliant with all Applicable Laws. Any incident of bribery or corruption reported to Twinza's senior management will be reported to the Board.
- **Enforcement:** in the case of employees (including employee directors and other officers) breach of this anti-bribery and corruption policy will be dealt with under Twinza's disciplinary procedures and may result in summary dismissal. In the case of contractors, agents, intermediaries, representatives, advisers, suppliers, joint-venture partners and other contractual counterparties, breach of this anti-bribery and corruption policy may result in immediate termination of their contracts.

### 3.3.2. Guidelines

#### 3.3.2.1. Third party contracts

- All third parties must be engaged by Twinza through a formal written contract and Personnel shall be alert for 'red flags' which may signal the possibility of a corruption problem. Such red flags may include a third party's refusal to submit to the Company's due diligence process, or its refusal to execute an anti-corruption certificate, or its request for fees in cash.
- All contracts or agreements for provision of services must precisely document the service provided and the basis of compensation.
- Consultancy payments will only be made for legitimate services in an amount that represents no more than the appropriate market-based remuneration for the services rendered by such agent.
- Where appropriate, contracts should be awarded on the basis of a competitive tendering process. If securing a contractor does not warrant a competitive tender process, or is not possible for any reason, then a process of evaluating a fair market value must be adopted and the decision criteria and resulting decision to award a contract be reported to and approved in writing by at least two members of the Company's Management.
- In all significant contracts or agreements for the provision of services, agents and consultants must explicitly agree, in writing, not to pay bribes, and all such contracts will include a termination clause that stipulate that if a bribe is paid, the relationship will be terminated.
- When engaging consultants and business associates that will represent the Company, Twinza will enquire into their reputation for good business practice and conduct sufficient due diligence to determine that they adhere to policies of non-corruption.

#### 3.3.2.2. Tendering:

- Twinza strives to ensure that all of its activities including its tender and selection procedures and processes are fair, open, and ethically proper.
- Any Personnel involved in any Twinza tender and selection of suppliers and service companies shall not make any form of personal gain (financial or otherwise) as a result of their activities, decisions, approvals or any other involvement in the process.

- No unacceptable preferences based on factors other than normal business decisions shall be involved in the tender and selection process – e.g. the involvement of friends, family, past work colleagues, the holding of any beneficial interest in the goods or service provider under consideration, or other similar influences. Any Personnel who are aware of such a relationship must make this known to Management and will be excluded from direct involvement in the selection and tender process.

### **3.3.2.3. Corruption and money laundering**

In relation to policing corrupt behaviour and money laundering all Personnel are required to be alert and report any:

- complex payment requests;
- unusual transfer of funds;
- requests for cash payments or payments to or receipts from unknown third parties;
- unusually high payments to agents or other contractors;
- lack of transparency in foreign expense or accounting records;
- evidence that a portion or all of a consultancy or other payment has been passed on as a bribe or otherwise in contravention of this policy; and
- any other suspicious circumstances or conduct proposed by others which that Personnel is concerned may breach this policy.

### **3.3.2.4. Conflicts of interest**

- All Personnel must avoid situations where they have or appear to have, or could potentially have, a conflict of interest between their own interests and the best interests of the Company.
- If such a situation arises the Personnel must promptly disclose in writing to the Board the relevant facts and circumstances.
- Conflicts of interest include (but are not limited to) situations in which the Personnel act in any manner which might result in or create the appearance of using their relationship with Twinza for private gain or for the benefit for another person, corporation, partnership or other entity, including any competitor, or where the Personnel's duties to one or more entities are likely to be incompatible or at odds with each other.

### **3.3.2.5. Gifts, hospitality and entertainment**

It is not intended that this policy should prohibit the giving or accepting of reasonable and appropriate corporate hospitality or gifts for legitimate business purposes. The key test to apply is whether the hospitality or gifts could be intended, or could be reasonably interpreted, as a reward or encouragement for favour or preferential treatment.

By way of guidance for all Personnel, the giving or receiving of gifts and/or hospitality is prohibited unless it has been approved in writing by Twinza's Company Secretary and complies with the following requirements:

- not made to influence or reward, either implicitly or explicitly, the provision or retention of business or a business advantage;
- in accordance with Applicable Laws ;
- modest in value (US\$250) and appropriate for the occasion in all the circumstances;
- does not include cash or cash equivalents;
- the entertainment or hospitality occurs infrequently;
- the entertainment or hospitality arises during the Company's ordinary course of business;
- the recipient is asked to report the gift, entertainment or hospitality to their employer or principal;
- is given openly not secretly and in the Company, not individual's name; and
- is recorded in writing in the Company's gifts and hospitality register held by the Company Secretary.

## **3.4. Corporate Social Responsibility (“CSR”) Policy**

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Twinza's corporate philosophy is “to do business with integrity, honesty, and transparency”.

Twinza strives to increase awareness of our corporate social responsibility among all Personnel through the implementation of this policy.

### **3.4.1. Sound corporate activities**

Twinza endeavours to comply with international regulations, related laws, and internal rules, exercise sound and fair corporate practices, earn the trust of stakeholders such as Personnel, customers, shareholders, business partners, and society. Twinza will maintain constructive relationships with administrative bodies, remaining politically neutral and complying with laws, and will not engage in relationships with individuals or groups that threaten social order or safety.



**3.4.2. Provision of valuable goods and services for society**

Twinza will provide valuable products and services with superior quality and safety to society, endeavouring to increase the satisfaction and trust of our customers.

**3.4.3. Respect for human beings**

Twinza will respect diversity and individual human rights and provide a healthy and safe workplace in which all persons receive fair treatment without discrimination. It will also oppose enforced labour and child labour and respect fundamental human rights as well as workers' rights.

**3.4.4. Protection of the natural environment**

Twinza will proactively engage in environmental efforts and work to protect the natural environment.

**3.4.5. Responsibility to society as a corporate citizen**

Twinza will carry out corporate activities that take into account the cultures and practices of each country and region and proactively engage in activities that contribute to society as a good corporate citizen.

**3.4.6. Socially responsible behaviour within the supply chain**

Twinza will encourage socially responsible behaviour within its supply chain.

**3.4.7. Transparent operating activities**

Twinza will communicate extensively with all Personnel, customers, shareholders, business partners, and society and disclose business information in a timely and fair manner. It will also conduct reliable financial reporting through accurate accounting processes.

**3.4.8. Responsibility of Management**

Management plays an essential role in fulfilling the spirit of this policy and thus, in addition to leading by example, they must ensure that this information is disseminated to everyone within the Company and all related parties. Management must always strive to understand the opinions of those both inside and outside of Twinza to develop a sound internal framework that ensures that the spirit of this policy is upheld. If any incident occurs that violates this policy, Management will demonstrate, internally and externally, their determination to solve the problem and strive to identify the cause and prevent its recurrence. Furthermore, they will uphold information disclosure and accountability obligations. They will clarify the authority and responsibility of each manager and Personnel and deal rigorously and objectively with all people involved in the matter.

**3.5. Health & Safety Policy**

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**3.5.1. Workplace****3.5.1.1. Overview**

Twinza is committed to providing and maintaining a safe and healthy workplace for its Personnel and anyone entering the premises or with connection to the Company's business operations.

**3.5.1.2. Guidelines**

Twinza will make every reasonable effort to provide a workplace that minimises incidents of risk or personal injury, ill health or damage to property. This includes:

- providing all Personnel with appropriate training;
- providing a safe workplace and systems of work; and
- consultation on health and safety issues.

**3.5.1.3. Responsibilities**

Management are responsible for fulfilling a duty of care to provide a healthy and safe workplace under Occupational Health and Safety Legislation and relevant local legislations and regulations, and Common Law.

All Personnel also have obligations under the legislation and relevant local legislations and regulations.

A safe working culture is the responsibility of everyone and this can be best achieved through cooperative efforts of all Personnel. A safe culture will be reinforced through:

- continually identifying, assessing and controlling possible risks to the health and safety of people that may arise in the workplace;

- the provision of information concerning such risks and the promotion, instruction, training and supervision of all Personnel to ensure safe work practices; and
- giving all Personnel and customers the opportunity to participate in health and safety decisions that affect them.

In the interest of maintaining safety, all Personnel, visitors, and customers are required to observe and comply with all health and safety standards and rules produced by Twinza. This includes any safety signage or warnings, or instruction given by any Personnel whilst on our premises.

### **3.5.2. Fitness for Work**

#### **3.5.2.1. Overview**

Twinza is committed to providing a safe and productive workplace for all Personnel.

The Company and each Personnel have respective duty-of-care responsibilities to contribute to a safe and healthy workplace.

#### **3.5.2.2. Guidelines**

This policy defines the safety standards and policies Twinza has defined to ensure the Company and its Personnel fulfils, at a minimum, legislative requirements for Occupational Health and Safety, along with adopting practices that ensure Twinza has a reputation in Occupational Health and Safety as outlined in the Code of Conduct (see clause 2.2).

#### **3.5.2.3. Responsibilities**

All Personnel have a duty of care to ensure their own health and safety and to avoid adversely affecting the health or safety of any fellow Personnel.

All Personnel are required to meet the following Company expectations:

- refrain from the use of alcohol during Company work hours; and
- refrain from the use of illicit drugs at all times.

#### **3.5.2.4. Consequences**

If any Personnel deliberately breach the safety code or place themselves or any fellow Personnel at risk, Management has the right to issue a warning regarding their behaviour. Termination can result from the first offense in cases of serious breach. Continued abuse may lead to disciplinary action including in severe circumstances dismissal.

## **3.6. Environmental Policy**

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### **3.6.1. Regulation**

- To comply with applicable national law, including those laws implementing host country obligations under international law.

### **3.6.2. Assessment and Management of Environmental and Social Risks and Impacts**

- To identify and evaluate environmental and social risks and impacts of the project.
- To adopt a mitigation hierarchy to anticipate and avoid, or where avoidance is not possible, minimize, and, where residual impacts remain, compensate/offset for risks and impacts to workers, Affected Communities, and the environment.
- To promote improved environmental and social performance of clients through the effective use of management systems.
- To ensure that grievances from Affected Communities and external communications from other stakeholders are responded to and managed appropriately.
- To promote and provide means for adequate engagement with Affected Communities throughout the project cycle on issues that could potentially affect them and to ensure that relevant environmental and social information is disclosed and disseminated.

### **3.6.3. Labour and working conditions**

- To promote the fair treatment, non-discrimination, and equal opportunity of workers.
- To establish, maintain, and improve the worker-management relationship.
- To promote compliance with national employment and labour laws.
- To protect workers, including vulnerable categories of workers such as children, migrant workers, workers engaged by third parties, and workers in the client's supply chain.
- To promote safe and healthy working conditions, and the health of workers.

- To avoid the use of forced labour.

#### **3.6.4. Resource efficiency and pollution prevention**

- To avoid or minimize adverse impacts on human health and the environment by avoiding or minimizing pollution from project activities.
- To promote more sustainable use of resources, including energy and water.
- To reduce project-related GHG emissions.

#### **3.6.5. Community Health, Safety and Security**

- To anticipate and avoid adverse impacts on the health and safety of the Affected Community during the project life from both routine and non-routine circumstances.
- To ensure that the safeguarding of personnel and property is carried out in accordance with relevant human rights principles and in a manner that avoids or minimizes risks to the Affected Communities.

#### **3.6.6. Land acquisition and involuntary resettlement**

- To avoid, and when avoidance is not possible, minimize displacement by exploring alternative project designs.
- To avoid forced eviction.
- To anticipate and avoid, or where avoidance is not possible, minimize adverse social and economic impacts from land acquisition or restrictions on land use by (i) providing compensation for loss of assets at replacement cost and (ii) ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected.
- To improve, or restore, the livelihoods and standards of living of displaced persons.
- To improve living conditions among physically displaced persons through the provision of adequate housing with security of tenure at resettlement sites.

#### **3.6.7. Biodiversity conservation and Sustainable Management of Living Natural Resources**

- To protect and conserve biodiversity.
- To maintain the benefits from ecosystem services.
- To promote the sustainable management of living natural resources through the adoption of practices that integrate conservation needs and development priorities.

#### **3.6.8. Indigenous People**

- To ensure that the development process fosters full respect for the human rights, dignity, aspirations, culture, and natural resource-based livelihoods of Indigenous Peoples.
- To anticipate and avoid adverse impacts of projects on communities of Indigenous Peoples, or when avoidance is not possible, to minimize and/or compensate for such impacts.
- To promote sustainable development benefits and opportunities for Indigenous Peoples in a culturally appropriate manner.
- To establish and maintain an ongoing relationship based on Informed Consultation and Participation (ICP) with the Indigenous Peoples affected by a project throughout the project's life-cycle.
- To ensure the Free, Prior, and Informed Consent (FPIC) of the Affected Communities of Indigenous Peoples when the circumstances described in this Performance Standard are present.
- To respect and preserve the culture, knowledge, and practices of Indigenous Peoples.

#### **3.6.9. Cultural heritage**

- To protect cultural heritage from the adverse impacts of project activities and support its preservation.
- To promote the equitable sharing of benefits from the use of cultural heritage.

## **3.7. Human Rights Policy**

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### **3.7.1. Overview**

This clause 3.7 sets out Twinza's policy on Human Rights. This policy applies to all Personnel.

If any Personnel is uncertain whether an activity or practice breaches the Company policy on Human Rights, the matter shall be referred to the Company Secretary.

### **3.7.2. Guidelines**

Twinza is committed to the respect of internationally proclaimed human rights and make every effort to operate its business in a manner consistent with the principles pronounced in the Universal Declaration of Human Rights, the core conventions of the International Labour Organisation and other relevant laws and international human rights treaties, laws and norms. While the primary responsibility for human rights lies with the various governments, Twinza shares with them the commitment to avoid human rights violations and advance human rights within our internal and external business environment.

Policy standards:

- Twinza does not engage in or condone the unlawful employment or exploitation of children in the workplace and act in accordance with all applicable local, state, and national laws regarding the employment of minors. Twinza supports the education and development of children by encouraging the creation of educational, training or apprenticeship programs tied to formal education for young people.
- Twinza believes that people should work because they want or need to, not because they are forced to do so. Twinza prohibits the use of prison labour, forcibly indentured labour, bonded labour, slavery, or servitude.
- Twinza recognizes, respects, and embraces the cultural differences found in the worldwide marketplace. Twinza's workplace embraces equal opportunity where its goal is to attract, develop, promote, and retain the best people from all cultures and segments of the population, based on ability. Twinza has zero tolerance for discrimination or harassment of any kind.
- Twinza respects the right of its Personnel to associate freely, which includes their right to bargain collectively.
- Twinza ensures that compensation meets or exceeds the legal minimums and is competitive with industry standards. Twinza's compensation philosophy is clearly communicated to all Personnel and is in full compliance with all applicable laws. Twinza is committed to providing its Personnel with a safe and healthy workplace.
- Within the framework of Twinza's Values (see clause 2.1), Twinza respects the cultural diversity, customs and values of the people in communities where it operates and takes into account their needs, concerns, and aspirations. In particular, Twinza recognises its responsibility to respect the economic, social, and cultural rights of indigenous peoples in all communities where it operates.
- At a minimum, Twinza will comply with all relevant local, state, and national laws regarding human rights where it conducts its operations. Twinza endeavours, wherever appropriate and practicable, to set the highest attainable standards, whether or not they exceed that which is required under local law.
- Twinza encourages and expects its partners, suppliers, contractors, and vendors to support these policies.

### **3.7.3. Responsibilities of Personnel**

All Personnel are responsible to ensure that they:

- adhere to the guidelines of this policy; and
- report any questionable business practices that may breach this policy to the Company Secretary so that an investigation can be conducted as soon as possible.

## **3.8. Privacy Policy**

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### **3.8.1. Overview**

Twinza respects and is committed to protecting its Personnel's privacy. This clause 3.8 sets out Twinza's policies on handling personal information.

Twinza is bound by and intends to comply with the Australian National Privacy Principles ("NPPs") contained in the Privacy Act 1988 (Cth) ("Privacy Act") as well as other applicable local privacy legislation when dealing with personal information.

### **3.8.2. Background**

Privacy Principles relate to 'Personal information'.

Personal information means: information or opinion, whether true or not, whether recorded in material form or not about an individual whose identity is apparent, or can reasonably be ascertained. Basically, personal information is any information that can be used to identify a natural person, whether or not it includes their name.

Personal information extends to sensitive information which means information or an opinion about an individual's racial or ethnic origin, political opinions, membership of political association, religious beliefs or affiliations, philosophical beliefs, membership of professional or trade association or union, sexual preferences or practices or criminal record or health information about an individual.

### 3.8.3. What kinds of personal information does Twinza collect and what is it used for?

The following are the main types of personal information collected by Twinza and the main purposes the information is used for:

Personal information	What is it used for?
Information such as names, business contact details and dealings with suppliers and potential suppliers to Twinza	To administer Twinza's dealings and potential dealings with suppliers of products and services
Information such as the names and contact details of persons who provide Twinza with information or request information including but not restricted to: business partners/alliances, government agencies, public sources (e.g. Dun & Bradstreet)	To receive or supply information
Information such as the names and contact details of persons who contact Twinza with requests for information, this includes but is not restricted to, analysts, brokers, media representatives.	To respond to those requests and to market Twinza
Information about applicants for employment with Twinza	To assess those applications for employment
Information about any Personnel relevant to their employment or contract with Twinza	To fulfil Twinza's responsibilities as an employer and contractor

### 3.8.4. Disclosure of personal information

As a general rule, Twinza will not provide personal information to any third parties except:

- to other members of the Company;
- to contractors engaged to provide services in connection with the purposes mentioned above but generally only if they satisfy the Company that they comply with the Privacy Act and other relevant local privacy laws; or
- if it is otherwise permitted or required by the Privacy Act or any other law.

### 3.8.5. Accessing personal information

Personnel may have a right to access personal information Twinza holds about them. Any Personnel may contact the Company Secretary to ask for access to their information or if they have a complaint concerning their information privacy. Twinza may deny their request to access their information in some circumstances and on occasions that Twinza needs to do this it will explain why.

## 3.9. Procurement Policy

This clause 3.9 sets out the overarching principles required to control the procurement of all goods and services (excluding Personnel) for the Company.

The policy seeks to ensure that the procurement of all goods and services is conducted in an honest, competitive, fair and transparent manner that delivers the best value for money outcome whilst at the same time protecting the reputation of the Company. All procurement is to take into account the required specification, quality, service, delivery, reliability, environmental and social issues.

The effective application of this policy will ensure the Company's clients see:

- open and effective competition;
- ethical behaviour and fair dealing;
- proper procurement planning and contract management; and
- professionalism in the procurement processes.

And that all procurement by the Company is:

- timely;
- fit for purpose;
- within cost control and budget requirements;
- in accordance with statutory requirements; and
- accurately recorded in the Company's accounting records.

All Company procurement activities must be performed in accordance with the relevant Delegation of Authority instruction. No person may enter into arrangements purporting to bind the Company to contractual or other obligations unless he or she has been granted authority to do so in Twinza's Delegated Authority Matrix, which is from the Company Secretary.

Twinza requires that competitive bidding be done in accordance with its goods and services procurement procedures and with applicable laws.

## 3.10. Remuneration Policy

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### 3.10.1. Executive and Key Employees remuneration policy

The process aligns business objectives with specific and measurable individual objectives and targets. Performance by individual executive and key employee against these objectives is assessed yearly. The Remuneration Committee also obtains independently assessed remuneration information for comparative purposes.

### 3.10.2. Remuneration process

Executive and key employee remuneration is reviewed annually. Executive and key employee's rewards are influenced by three factors: individual performance, Company performance, and market position.

#### 3.10.2.1. *Individual performance*

This element of remuneration is based on the executive and key employee's relative performance against the goals and individual objectives that have been set for them for the year under review.

#### 3.10.2.2. *Market position*

The Board believes that Twinza's remuneration levels need to be competitive with those of other comparable organisations so that the Company can attract and retain quality people. The Remuneration Committee may consult an external compensation adviser to advise on appropriate salary and benefits, and review these on an annual basis.

### 3.10.3. Remuneration components

Executive and key employee remuneration comprises of:

- fixed remuneration (FAR) - this is referred to as 'fixed annual reward' (FAR) and is the component of total remuneration specified in an executive and key employee's contract of employment and subsequent periodic salary reviews.
- variable (incentive) payments - contracts for executive and key employees include a discretionary component of remuneration linked to short-term incentives (STIs) and long-term incentives (LTIs). Policies defining STIs and LTIs are established by the Remuneration Committee and reviewed on an annual basis.

### 3.10.4. Short-term incentives

Short-term incentives are calculated as a percentage of an executive and key employee's annual base salary, excluding the value of any benefits, e.g. contributions to the Central Provident Fund, private medical and dental insurance, life insurance and any housing allowance. The Remuneration Committee determines the maximum percentage that is potentially available to executives and key employees, and approves, after reviewing assessments, whether short-term incentives should be paid.

The short-term incentive component is related to performance against individual and corporate objectives and links achievement to reward by encouraging executives and key employees to meet or exceed measurable tasks and objectives in their work. These tasks and objectives ultimately support Twinza's objectives and therefore shareholder interests.

Performance is measured against a scorecard of key tasks and responsibilities and agreed objectives and targets. Individual performance against the measures is assessed.

### 3.10.5. Long-term incentives

Twinza executives and key employees may have the opportunity to participate in the Twinza Employee Share Plan ("ESP"). The ESP is designed to link employee rewards with the strategic long-term goals and performance of Twinza, consistent with the generation of shareholder returns.

**3.10.6. Remuneration approval process**

The Remuneration Committee recommends remuneration levels for non-executive directors, executives and key employees to the Board for approval. The Remuneration Committee operates under a delegation of authority from the Board to provide oversight of the Company's remuneration and compensation plans, policies and practices on behalf of the Board and shareholders. The Remuneration Committee has the responsibility to ensure that shareholder and key employee interests are in alignment and for ensuring that executives and key employees are fairly and reasonably compensated.

## 4 RISK MANAGEMENT

The Board, with the aid of the Audit and Risk Committee, has overall responsibility to manage the impact of significant business risk by ensuring that adequate management policies, procedures and controls are in place.

This policy sets out our policies and procedures for managing risks such as those relating to markets, credit, price, operating, safety, health, environment, financial reporting and internal control. The Risk Management Policy will be adopted by the Board.

The identification of key risks is a continuing process for the Company.

### 4.1. Responsibility for risk management

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The implementation of risk management activities is to the responsibility of the Directors, Management and Company Secretary.

### 4.2. Risk management oversight

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Ultimately the Board oversee risk identification and management with the aid of the Audit and Risk Committee. It is also the direct responsibility of Twinza's Audit and Risk Committee to review the assessment of business risk across the Company to see that there is appropriate coverage by the external audit.

The Company's operations have not reached a scale such that Twinza's Audit and Risk Committee considers necessary for an Internal Audit role to be established. Where the Audit and Risk Committee has specific concerns it may engage an independent party to perform an internal audit on the issue.

External audits are conducted by independent parties and they report their findings to the Audit and Risk Committee. The Audit and Risk Committee meets annually with the external auditors to review their audit plans and approve all external audit services to be provided.

Twinza recognises and supports the fundamental principle of maintaining auditor independence. Twinza has a policy controlling the provision of non-audit services by the auditors. Auditors are not prohibited from supplying non-audit services provided those services are subject to independent approval in accordance with the Audit and Risk Committee Charter.

### 4.3. Business risk management

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Twinza uses appropriate internal controls and formulation of, and adherence to, risk management policies appropriate for its risks as an independent corporate entity.

Twinza's most significant risks are to the Australian dollar and US dollar exchange rates and the oil and gas prices. Twinza's current financial position is strong. Given this strong underlying business position, shareholders' interests are best served by Twinza remaining exposed to oil and gas price and exchange rate risk and not seeking to manage that risk through the use of derivative instruments.

The Audit and Risk Committee has put in place a Risk Register Procedure for managing a risk mitigation plan and reporting to directors in the monthly report.



## 5 COMMITTEE CHARTERS

### 5.1. Audit & Risk Committee Charter

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#### 5.1.1. Policy

It is the policy of the Board that the Company has an Audit and Risk Committee whose primary objective is to facilitate the proper execution of the responsibilities of the Board relating to accounting and reporting practices of the Company.

#### 5.1.2. Composition

The Audit and Risk Committee shall comprise a minimum of three members.

The chairperson of the Audit and Risk Committee shall be a non-executive director and shall not also be the chairperson of the Company.

Further, the Managing Director and Chief Financial Officer have a duty to state in writing to the Board that the Company's financial reports present a true and fair view of the Company, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards.

#### 5.1.3. Charter

The Audit and Risk Committee charter is as follows:

- review and report to the Board on the annual financial report, and all other financial information published by the Company prior to release to members and other public forums;
- assist the Board in reviewing the effectiveness of the organisation's internal control environment covering:
  - effectiveness and efficiency of operations;
  - reliability of financial reporting;
  - compliance with applicable laws and regulations;
  - monitoring of corporate risk assessment processes;
  - co-ordinate the audit with the external auditor including reviews of internal control measures;
  - review and approve any significant non-mandatory accounting policy change;
  - review the audit plan with the external auditor;
  - recommend to the Board the appointment, removal and remuneration of the external auditors, and review the terms of their engagement, the scope and quality of the audit and the auditor's independence, and consider if appropriate, the rotation of audit partners; and
  - review the level of non-audit services provided by the external auditor and ensure it does not adversely impact on auditor independence.

The Audit and Risk Committee has authority, within the scope of its responsibilities, to seek any information it requires from any Personnel or external party.

#### 5.1.4. Meeting

The Audit and Risk Committee meets independently of the external auditor not less than twice a year and at such additional times as the Audit and Risk Committee decides. The Chairman may convene a meeting at any reasonable time.

The Audit and Risk Committee is to meet with the external auditor not less than twice a year and review any significant disagreement between the auditor and Management, irrespective of whether the matters have been resolved.

The Audit and Risk Committee meets bi-annually and on an as-needed basis.

The Secretary, in conjunction with the Chairman, shall draw up an agenda, which shall be circulated at least one week prior to each meeting to the members of the Audit and Risk Committee.

The Chairman will call a meeting of the Audit and Risk Committee if so requested by any Audit and Risk Committee member.

A quorum is two members.

#### 5.1.5. Reporting

The external auditor has a clear line of direct communication at any time to either the chairperson of the Audit and Risk Committee or the chairperson of the Board. Any member of the Audit and Risk Committee is able, and obliged, to bring any matter to the immediate attention of the Board, if that Committee member believes the matter has not been dealt with adequately by the Committee, or is of significant importance that the Board should be informed directly.

The Chairman of the Audit and Risk Committee shall report the findings and recommendations of the Committee to the Board after each Audit and Risk Committee meeting.

The minutes of all Audit and Risk Committee meetings shall be circulated to members of the Board.

The Audit and Risk Committee shall have no executive powers with regard to its findings and recommendations.

The Chairman of the Audit and Risk Committee is to report to the Board and, as appropriate, make recommendations to the Board after each Audit and Risk Committee meeting, concerning matters dealt with by the Audit and Risk Committee.

## 5.2. Remuneration Committee Charter

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### 5.2.1. Introduction

The primary function is to consider and recommend compensation arrangements for the Managing Director and executives, remuneration policies and practices, retirement termination policies and practices, Company share schemes and other incentive schemes, Company superannuation arrangements and remuneration arrangements for members of the Board.

### 5.2.2. Composition

- The Remuneration Committee shall comprise a minimum of three members with one non-executive director of the Company.
- The Chairman and members of the Remuneration Committee are appointed by the Board and may be appointed for specified terms. Membership of the Remuneration Committee will be reviewed annually by the Board.
- The Chairman of the Board may not be the Chairman of the Remuneration Committee.
- The Company Secretary is Secretary to the Remuneration Committee.

### 5.2.3. Objectives

The primary functions of the Remuneration Committee are to:

- make specific recommendations to the Board on remuneration of directors and executives;
- recommend the terms and conditions of employment for the Managing Director;
- undertake a review of the Managing Director's performance, at least annually, including setting with the Managing Director goals for the coming year and reviewing progress in achieving those goals;
- consider and report to the Board on the recommendations of the Managing Director on the remuneration of all direct reports;
- develop and facilitate a process for Board and director evaluation;
- review the proposed remuneration offer to new executives;
- review the notice periods, severance commitments and termination packages of executives; and
- review material deviations from the current Remuneration Policy.

### 5.2.4. Access

The Remuneration Committee may invite any executive director, executive, other Personnel, or external advisors to attend all or part of a meeting of the Remuneration Committee.

The Remuneration Committee may consult independent experts if it considers it necessary in order to fulfil its responsibilities.

### 5.2.5. Meetings

The Remuneration Committee meets bi-annually and on an as-needed basis.

The Secretary, in conjunction with the Chairman, shall draw up an agenda, which shall be circulated at least one week prior to each meeting to the members of the Remuneration Committee.

The Chairman will call a meeting of the Remuneration Committee if so requested by any Remuneration Committee member.

A quorum is two members.

**5.2.6. Reporting**

The Chairman of the Remuneration Committee shall report the findings and recommendations of the Committee to the Board after each Remuneration Committee meeting.

The minutes of all Remuneration Committee meetings shall be circulated to members of the Board.

The Remuneration Committee shall have no executive powers with regard to its findings and recommendations.

The Chairman of the Remuneration Committee is to report to the Board and, as appropriate, make recommendations to the Board after each Remuneration Committee meeting, concerning matters dealt with by the Remuneration Committee.