



# Board Charter

## 1. Role of the Board

The Board guides and monitors the business and management of the Company on behalf of shareholders by whom they are elected and to whom they are accountable.

In order to fulfil this role, the Board is responsible for the overall corporate governance of the Company including formulating its strategic direction, setting remuneration and monitoring the performance of Directors and executives. The Board relies on Senior Executives to assist it in approving and monitoring expenditure, ensuring the integrity of internal controls and management information systems and monitoring financial and other reporting.

## 2. Responsibilities of the Board

The Board is responsible for the following:

- 2.1 ensuring the Company's conduct and activities are ethical and carried out for the benefit of all its stakeholders;
- 2.2 setting the strategic direction of the Company and monitoring the Company's performance against its stated objectives;
- 2.3 providing input into and final approval of corporate strategy and monitoring implementation of corporate strategy, business plans and performance objectives;
- 2.4 setting the risk profile for the Company and reviewing, ratifying and monitoring systems of risk management;
- 2.5 reviewing and monitoring codes of conduct, and legal and regulatory compliance;
- 2.6 the appointment of the Company's Chief Executive Officer (or equivalent), a right of veto in relation to the appointment of the Chief Financial Officer, Company Secretary and other senior executives, and monitoring senior executives' performance and implementation of strategy;
- 2.7 determining appropriate remuneration policies;
- 2.8 allocating resources and ensuring appropriate resources are available to management;
- 2.9 approving and monitoring the annual budget, progress of major capital expenditure, capital management, and acquisitions and divestitures; and
- 2.10 approving and monitoring financial and other reporting.

## 3. Chairperson

The Chairperson is responsible for leadership of the Board and for the efficient organisation and conduct of the Board's business. The Chairperson should facilitate the effective contribution of all directors and promote constructive and respectful relations between directors and between the Board and management of the Company. The Chairperson is responsible for briefing directors on issues arising at Board meetings and ultimately is responsible for communications with shareholders and arranging Board performance evaluation.

#### 4. Chief Executive Officer

The Chief Executive Officer (or equivalent) is responsible for running the affairs of the Company under delegated authority from the Board. In carrying out his or her responsibilities the Chief Executive Officer must report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the Company's financial condition and operational results.

#### 5. Company Secretary

The Company Secretary reports to the Board and is responsible for monitoring the extent that Board policy and procedures are followed, and coordinating the timely completion and despatch of Board agenda and briefing material. All directors are to have access to the Company Secretary.

#### 6. Board's relationship with Management

The role of management is to support the Chief Executive Officer or equivalent and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

#### 7. Appointment and Election of Directors

The Company shall ensure that prior to appointing a director or recommending a new candidate for election as a director that appropriate checks are undertaken as to the **persons character, experience, education, criminal record and bankruptcy history**.

The following information about a candidate standing for election or re-election as a director should be provided to security holders to enable them to make an informed decision on whether or not to elect or re-elect the candidate:

- 7.1 biographical details, including their relevant qualifications and experience and the skills they bring to the Board;
- 7.2 details of any other material directorships currently held by the candidate; in the case of a candidate standing for election as a director for the first time:
  - (a) any material adverse information revealed by the checks the entity has performed about the director;
  - (b) details of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the entity and its security holders generally; and
  - (c) if the Board considers that the candidate will, if elected, qualify as an independent director, a statement to that effect;
- 7.3 in the case of a candidate standing for re-election as a director:
  - (a) the term of office currently served by the director; and
  - (b) if the Board considers the director to be an independent director, a statement to that effect;

7.4 a statement by the Board as to whether it supports the election or re-election of the candidate.

A candidate for appointment or election as a non-executive director should provide the Board with the information above and a consent for the Company to conduct any background or other checks the entity would ordinarily conduct. The candidate should also provide details of his or her other commitments and an indication of time involved, and should specifically acknowledge to the Company that he or she will have sufficient time to fulfil his or her responsibilities as a director.

## **8. Written Agreements with Directors and Senior Executives**

The Company shall enter into a written service contract with each of its executive directors and senior executives which sets out at a minimum a description of their position; duties; responsibilities; to whom they report; circumstances in which their service contract may be terminated; and any entitlement upon termination.

The Company shall provide each non-executive director a letter of appointment which sets out at a minimum:

- a) their term of appointment;
- b) expected commitments;
- c) remuneration;
- d) requirements to disclose directors' interests which may affect the director's independence;
- e) requirements to comply with Company policies;
- f) the Company's policy on when directors may seek independent advice;
- g) the circumstances in which the director's office becomes vacant;
- h) indemnity and insurance arrangements;
- i) ongoing rights of access to corporate information; and
- j) confidentiality obligations.

## **9. Diversity**

The Board has adopted a policy on achieving gender, age and ethnic diversity in the Company's Board and employees.

The Chief Executive Officer and the Company Secretary are responsible for ensuring the policy is brought to the attention of all affected persons and for monitoring compliance with the policy.

## **10. Performance Evaluation**

The Chairperson shall review the performance of the Chief Executive Officer, each Director and each Board committee at least once every calendar year and the Chief Executive Officer shall review the performance of executive management at least once every calendar year with reference to the terms of their employment contract.

## **11. Composition of the Board**

The Board should be of a size and composition that is conducive to making appropriate decisions. The Board should be large enough to incorporate a variety of perspectives and skills, and to represent the best interests of the Company as a whole rather than of individual security holders or interest groups; subject to the Company's constitution.

The Board shall adopt and disclose a Board skill matrix. The composition of the Board should be reviewed regularly against the Company's board skills matrix to ensure the appropriate mix of skills and expertise is present.

## **12. Procedure for selection of new directors**

The Company believes it is not of a size to justify having a Nomination Committee. If any vacancies arise on the Board, all directors are involved in the search and recruitment of a replacement. The Board believes corporate performance is enhanced when the Board has an appropriate mix of skills, experience, expertise and diversity.

## **13. Independent Directors**

The Company will regularly review whether each non-executive director is independent and each non-executive director should provide to the Board all information that may be relevant to this assessment. If a director's independence status changes this should be disclosed and explained to the market in a timely fashion.

Where possible the Company will endeavour to ensure that the majority of its directors are independent at all times, subject to the right of security holders in general meeting to elect and remove directors.

All directors – whether independent or not - should bring an independent judgement to bear on Board decisions. Directors are encouraged to confer regularly without management present. Their discussions are to be facilitated by the Chairperson. Non-executive directors should inform the Chairperson before accepting any new appointments as directors.

## **14. Induction and education**

The Board will ensure that all new directors are provided with the information and opportunity to gain an understanding of:

- a) the Company's financial, strategic, operational and risk management position;
- b) the culture and values of the Company;
- c) the rights, duties and responsibilities of the directors;
- d) the roles and responsibilities of senior executives;

- e) the role of any Board committees in operation;
- f) meeting arrangements; and
- g) director interaction with each other, senior executives and other stakeholders.

## **15. Access to information**

The Board has the right to obtain all information from within the Company which it needs to effectively discharge its responsibilities.