

1 PURPOSE

- 1.1** This Charter sets out the role and responsibilities of the Board of Broadpectrum Pty Limited (the **Company**), the principles for its operation and those functions it reserves or delegates.
- 1.2** This Charter is an element of the Company's corporate governance framework and is to be read in context.

2 ROLE, AUTHORITY & ACCOUNTABILITY OF THE BOARD

- 2.1** The Board is established under the Constitution and is governed by its provisions.
- 2.2** The role of the Board is to provide strategic direction for the Company and effectively oversee its management to protect and enhance the Company's reputation and shareholder value.
- 2.3** The Board:
- 2.3.1 is accountable to the Company's sole shareholder for the performance of the Company,
- 2.3.2 will set the ethical tone and standards of the Company and will operate in a manner consistent with the Code of Business Conduct, the Constitution, this Charter and the law, and
- 2.3.3 may obtain legal, professional or other advice as necessary.

3 FUNCTIONS & RESPONSIBILITIES

The Board's key responsibilities are to:

3.1 General

- 3.1.1 enhance and protect the reputation of the Company;
- 3.1.2 approve, monitor and oversee the performance of corporate strategies, budgets and objectives;
- 3.1.3 Review, approve and monitor compliance with major Company policies, the Code of Business Conduct and the effectiveness of the compliance program and governance practices.
- 3.1.4 **Human Resources and Remuneration**
- 3.1.5 Approve:
- ▶ appointments of directors in accordance with the Nominations Protocol (set out in **Appendix 1**); and
 - ▶ changes to the employment conditions of non-executive directors, including director fees, as recommended by the shareholder.
- 3.1.6 Undertake the following with respect to the Managing Director & Chief Executive Officer:
- ▶ approve the appointment and removal of the Managing Director & Chief Executive Officer, including the terms and conditions of appointment and termination payments;
 - ▶ oversee the performance of the Managing Director & Chief Executive officer;
 - ▶ approve changes to the remuneration, including any incentives, of the Managing Director & Chief Executive Officer

as recommended by the shareholder and the Chairman of the Board.

3.1.7 Oversee the following:

- ▶ Significant appointments, terminations, redundancies, changes to employment contracts and changes to remuneration frameworks;
- ▶ the incentive framework and payments made under this.
- ▶ the budget for the enterprise salary review.

3.1.8 Monitor the Company's remuneration and incentive framework, ensuring that it:

- ▶ motivates employees to pursue the long-term growth and success of the Company;
- ▶ demonstrates a clear relationship between performance and remuneration; and
- ▶ is competitive and capable of attracting and retaining high-calibre resources.

3.1.9 Review succession plans for management and directors.

3.2 Financial Reporting, Risk, Audit and Insurance

3.2.1 Oversee the integrity of and approve financial and other reporting, including financial statements for the Company;

3.2.2 Review, monitor and approve systems of risk management and internal control and approve the risk appetite statement;

3.2.3 Assess the performance and objectivity of the internal audit function;

3.2.4 Approve the appointment of, terms of engagement and fee for the external auditors subject to approval from the shareholder;

3.2.5 Monitor the performance and independence of the Company's external auditors; and

3.2.6 Review the Company's annual insurance program with respect to the Company's business and associated insurable risks.

3.3 Health, Safety, Environment & Community

3.3.1 Review the Company's Health, Safety, Environment and Community strategy to determine whether identified risks and objectives are appropriately addressed and the Company is capable of achieving its targeted milestones;

3.3.2 Oversee the Company's performance and responsibilities with respect to upholding and respecting Human Rights in business;

3.3.3 Review incident trends and significant incident investigations and determine whether appropriate actions are taken to share the development of the values and behaviours that support a performance culture, and to ensure the Company is able to build sustainable communities and businesses; and

3.3.4 Review changes to the Health, Safety, Environment and Community laws which the Company is subject to and ensure that action plans and other necessary processes are created and implemented to address relevant changes.

4 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

- 4.1** The Board delegates operational authority to the Managing Director & Chief Executive Officer, subject to specified limits which will be reviewed annually.
- 4.2** The Managing Director & Chief Executive Officer is responsible for developing and recommending the Company strategy and for managing the Company in accordance with the strategy, business plans and policies approved by the Board.
- 4.3** The Managing Director & Chief Executive Officer will keep the Chairman fully informed of all material matters relevant to the Board.

5 COMPOSITION & STRUCTURE

5.1 Chairman

- 5.1.1 The Chairman will be an independent, non-executive director and will be appointed by the Board, subject to relevant provisions of the Constitution.
- 5.1.2 The roles of Managing Director & Chief Executive Officer and Chairman will be separate. Executive directors must resign from the Board on ceasing to be an Executive of the Company if the Company requires him/her to do so.
- 5.1.3 The Chairman is responsible for
- ▶ leading the Board;
 - ▶ facilitating the effective contribution of all directors;
 - ▶ oversight of the processes and procedures in place to evaluate the performance of the Board and individual directors; and
 - ▶ representing the board in front of institutions and relevant stakeholders of the Company.

5.2 Membership

- 5.2.1 Subject to the Constitution, the Board is responsible for determining its size and composition.
- 5.2.2 The Board will consist of at least one independent director.
- 5.2.3 The Managing Director & Chief Executive Officer, Chief Financial Officer and Company Secretary will attend each Board meeting.

5.3 Administration

- 5.3.1 The Board shall meet as frequently as required but no less than four times a year. The Board will abide by the relevant provisions of the Constitution and the *Corporations Act 2001 (Cth)* in administering its proceedings.
- 5.3.2 Matters requiring decision will be decided by a simple majority of votes. A quorum will consist of two directors, including one non-executive director. The Chairman will not have a second or casting vote.
- 5.3.3 The Board may decide a matter by circular resolution in accordance with the Constitution and the *Corporations Act 2001 (Cth)*.

5.4 Board Reporting

- 5.4.1 Draft minutes of each Board meeting will be prepared by the Company Secretary and approved by the Chairman, after which they will be circulated to directors for comment and approved at the next Board meeting.
- 5.4.2 Minutes need not be verbatim but should accurately record the resolutions of the Committee, key reasons for those decisions and actions arising.
- 5.4.3 The action statement will include accountabilities, performance expectations and the nature and timing of subsequent reporting; will be approved by the Chairman and circulated to directors and management as soon as practicable after each meeting.

6 NON-EXECUTIVE DIRECTOR SELECTION PROCESS

- 6.1 The selection, appointment and removal of directors is governed by relevant provisions of the Constitution, the Nominations Protocol (set out in **Appendix 1**) and the *Corporations Act 2001 (Cth)*.
- 6.2 In identifying candidates, the Board will take into account the balance of skills, knowledge, experience and expertise necessary for the Board to effectively discharge its duties and the necessary and desirable competencies of directors.
- 6.3 The Board may engage external professional consultant/s to identify suitable candidates in a non-executive director recruitment process.

7 REVIEW

- 7.1 The Board will review this Charter every two years to ensure it is consistent with its statutory and regulatory obligations and accurately reflects the intended balance of responsibility within the Company's governance framework.

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1. PROTOCOL ON NOMINATIONS MATTERS FOR THE BOARD OF BROADSPECTRUM PTY LIMITED

This protocol has been prepared in accordance with the Board Charter and Company Constitution.

In keeping with Broadspectrum's commitment to sound governance, the Board may meet from time to time to review and assess the following to promote effective Board performance:

- (a) The size and composition of the Board; and
- (b) The range of skills, expertise and experience for the current and future business requirements of the Company.

This protocol is guidance for the Board only. The Board may, as always, exercise its discretion when considering the matters outlined here.

2. GUIDANCE FOR BOARD SIZE AND COMPOSITION

Broadspectrum shall use the following as the guiding principles to determine the size and composition of the Board:

- (a) The Board will consist of at least one independent director;
- (b) Appointments will be made in accordance with the Company's Equal Employment Opportunity Policy;
- (c) The size of the Board will be determined in response to Company business requirements and to enable efficient decision making, especially during periods of change; and
- (d) The Board will ensure there is an appropriate balance of skills, knowledge and experience to enhance effective Board performance.

As part of the appointment process, all potential Board candidates whether identified by the Board, the shareholder or with the support of an external consultant:

- (a) May undergo a vetting process, including to enable the Company to be satisfied that the candidate's character, experience, education, directorships, criminal record and bankruptcy history are appropriate;
- (b) Will acknowledge he/she has sufficient time to fulfil his/her responsibilities as a director and demonstrate that existing commitments and time involved will not interfere with the performance of their role as a director on the Board; and
- (c) Will attend the Broadspectrum induction program.