



BOARD OF DIRECTORS' CHARTER  
WEB SITE STATEMENT

## **BOARD OF DIRECTORS CHARTER – WEB SITE STATEMENT**

### **1. Structure**

The provisions of the Constitution of the Company shall govern the regulation of the meetings and proceedings of the Board of Directors, so far as the Constitution may be applicable.

### **2. Responsibilities of the Board**

2.1 The Board of Directors will perform the following functions:

- i. Oversee the conduct of the Company's business in order to evaluate whether the business is being appropriately managed;
- ii. Select, appoint, and regularly evaluate the performance of, determine the remuneration of, and plan for the succession of the Chief Executive Officer;
- iii. Ratify the appointment of and removal of the Chief Financial Officer or position equivalent;
- iv. Ratify the appointment of and removal of the Company Secretary;
- v. Have input to, review and, where appropriate, approve the Company's corporate strategy and performance objectives;
- vi. Review, approve and monitor financial performance and other reporting;
- vii. Review and ratify systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- viii. Monitor senior management performance and implementation of strategy;
- ix. Approve and monitor the progress of major capital expenditure, capital management and acquisitions and divestitures;
- x. Select, appoint and regularly evaluate the performance of external auditors;
- xi. Establish and monitor the ongoing performance of an Audit, Compliance & Risk Committee, the composition and conduct of which shall accord to the ASIC Recommendations of 2003;
- xii. Establish and monitor the ongoing performance of a Remuneration & Nominations Committee, the composition and conduct of which shall accord to the ASIC Recommendations of 2003;

- xiii. Ensure that adequate plans and procedures are in place for succession planning, including appointing, training and monitoring of senior management performance;
- xiv. Ensure appropriate procedures are in place for the induction and ongoing education and training of individual Board members and key executives;
- xv. Conduct annual reviews of individual Board members;
- xvi. Ensure an annual review of the performance of the Board is conducted;
- xvii. Establish, maintain and regularly review the Company's Code of Conduct;
- xviii. Establish, maintain and regularly review the Company's Share Trading Policy;
- xix. Ensure the ongoing compliance at Board level with the continuous disclosure requirements as prescribed by the ASX Listing Rules;
- xx. Perform such other functions as are prescribed by law or assigned to the Board; and
- xxi. Ensure that appropriate procedures are in place so that the business of the Company is conducted in an honest, open and ethical manner.

2.2 The Board of Directors also has power to:

- i. Initiate and adopt corporate plans, commitments and actions;
- ii. Initiate and adopt changes in accounting principles and practices;
- iii. Provide advice and counsel to the Chief Executive Officer;
- iv. Advise and review the actions of any committee and/or the Chief Executive Officer;
- v. Make recommendations to shareholders;
- vi. Direct the management of the Company's businesses;
- vii. Meet from time to time without management being present; and
- viii. Act in relation to all other corporate matters not requiring shareholder Approval;
- ix. Subject to the Board's ultimate responsibility for overseeing the business in accordance with paragraph 2.1(a), the Board may delegate to its committees, such authority to perform any of its functions and exercise any of its powers as it sees fit.

- x. Attachment A specifies certain matters which are specifically reserved to the Board and/or its committees, for decision in accordance with its responsibility to direct and control the Company.

## **ATTACHMENT A**

### **SCHEDULE OF MATTERS RESERVED TO THE BOARD**

The Board reserves the right to review and amend this list from time to time as is considered necessary.

The following matters are reserved to the Board or designated Committees of the Board:

#### **1. Board and Management**

- i. Nomination and remuneration of Directors
- ii. Appointment of Chairman
- iii. Appointment of Chief Executive Officer
- iv. Membership and terms of reference of Board committees
- v. Assessment of Board and Chief Executive Officer's performance
- vi. Matters referred to the Board by Board committees
- vii. Corporate governance matters relating to the Board of Directors and senior management, and matters of principle regarding corporate governance.

#### **2. Secretarial and Other**

- i. Calling of shareholders' meetings
- ii. Delegation of the Board's powers
- iii. Authorising use of Company Seal (if any)
- iv. Allotment, calls or forfeiture of shares
- v. Disclosure of Directors' interests
- vi. Major litigation
- vii. Continuous disclosure and due diligence obligations to the public
- viii. Share trading by executives and Directors
- ix. Employee option plans

The Board will consider recommendations of management in respect of the following:

**3. Finance**

- i. Raising new capital and confirmation of major financing facilities
- ii. Treasury policies including foreign currency and interest rate risk exposure
- iii. Specific risk management policies including policies on insurance, hedging and borrowing limits and corporate security
- iv. Final approval of interim/annual reports and accounts, and accounting policies
- v. Appointment/proposal of external auditors (including external audit fees)
- vi. Written reports and plans from external auditors
- vii. Approval of prospectuses and issue of documents
- viii. Approval and recommendation of dividends
- ix. Adequacy of the Company's financial controls

**4. Operations**

- i. Business strategy
- ii. Risk management strategy
- iii. Operating budgets
- iv. Monitoring of performance
- v. Matters relating to fraud
- vi. Diversification
- vii. Retrenchment/retirement policy
- viii. Employment and compensation policies
- ix. Succession planning
- x. Major acquisitions and disposals of subsidiaries or other assets or liabilities
- xi. Major property, property leases and capital projects
- xii. Other significant transactions over specified levels

- xiii. Substantial commitments including:
  - Superannuation funding; and
  - Providing of security over significant group assets (including mortgages and charges) over the Company's property.
- xiv. Contracts not in the ordinary course of business
- xv. Charitable donations over delegated amount and political donations
- xvi. Actions or transactions where there may be doubt over their legality, propriety or impact on the Company's reputation
- xvii. Effectiveness and security of IT systems
- xviii. Environmental policies
- xix. Occupational Health & Safety, Equal Opportunity and other human resource related policies

## **5. Business Control**

- i. Establishment of overall framework for proper internal control
- ii. Establishment of Delegations of Authority for smaller transactions
- iii. Governance of Company superannuation schemes
- iv. Human resource and industrial relations policy
- v. Policies relating to compliance with appropriate laws and regulations