

# AGUIA

## Board Charter

### 1. RESPONSIBILITIES OF THE BOARD

The Board is responsible for, and oversees the governance of, the Company.

In carrying out the responsibilities and powers set out in this Charter, the Board:

- recognises its overriding responsibilities to act honestly, fairly, diligently and in accordance with the law in serving the interests of its shareholders; and
- recognises its duties and responsibilities to its employees and the community.

### 2. COMPOSITION & STRUCTURE OF THE BOARD

The Board should comprise at least three Directors with the majority of the Board to be non-executive Directors. Where practical, at least 50% of the Board will be independent.

It is intended that the Board be comprised of Directors with a broad range of skills, diversity, expertise and experience from a range of backgrounds, while taking into account specific skills and experience that may be of specific relevance to the Company and its operations.

The Chair should be an independent non-executive Director.

The composition of the Board is to be reviewed regularly to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction.

In appointing new members to the Board, consideration is given to the ability of the appointee to contribute to the ongoing effectiveness of the Board, to exercise sound business judgement, to commit the necessary time to fulfil the requirements of the role effectively and to contribute to the development of the strategic direction of the Company.

#### Independence

An independent Director is one who is independent of management and free from any business or other relationship, which could, or could reasonably be perceived to, materially interfere with, the exercise of independent judgement.<sup>1</sup>

The Board will assess the independence of each Director annually, in such manner as it determines from time to time.

#### Disclosure of Interests

A Director must disclose to the Board:

- any material personal interest that he or she or any associate may have in a matter relating to the affairs of the Company; and
- any other interest or relationship that may affect the Director's independence.

<sup>1</sup> In any assessment of independence, the Board will take account of the factors set out in relation to Recommendation 2.3 of the ASX Corporate Governance Principles & Recommendations (4th Edition).

Notice of any such interest may be a standing notice. A register of interests will be kept by the Company Secretary.

### **3. BOARD POWERS & DELEGATIONS**

The Board retains all rights and powers conferred upon it by the Constitution and the Law which cannot be delegated. The Board may delegate their powers as they consider appropriate, however ultimate responsibility for strategy and control remains with the Board.

Key responsibilities of the Board include but are not limited to:

- demonstrating leadership, defining the Company's purpose and setting the strategic objectives of the Company;
- approving the Company's statement of values and code of conduct to underpin the desired culture within the Company;
- appointment of the Chair;
- appointment of Directors to fill a vacancy or as additional Directors;
- appointment and removal of the Managing Director (**MD**) or equivalent and Company Secretary;
- approving the appointment, and when necessary replacement, of other senior executives of the Company;
- establishment of Board Committees, their membership and delegated authorities;
- overseeing management's implementation of the Company's strategic objectives, instilling of the Company's values and its performance generally;
- approving operating budgets and major capital expenditure in excess of authority levels delegated to management;
- overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit;
- approval of the Company's periodic financial statements, directors' report, remuneration report and corporate governance statement;
- review and approval of the Company's corporate governance charters, policies and related public documents;
- setting measurable objectives for achieving gender diversity in the composition of the Company's Board, senior management and workforce generally;
- overseeing the Company's process for making timely and balanced disclosure of all material information concerning it that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- ensuring that the Company has in place an appropriate risk management framework (for both financial and non-financial risks) and setting the risk appetite within which the Board expects management to operate;
- satisfying itself that the Company has an appropriate framework exists for relevant information to be reported by management to the Board;
- whenever required, challenging management and holding it to account;
- approving the Company's remuneration framework, policies and the MD's remuneration, ensuring the Company's remuneration policies are aligned with the Company's purpose, values, strategic objectives and risk appetite;
- succession planning for the role of MD and other senior executives; and
- monitoring the effectiveness of the Company's governance practices.

### **4. DELEGATION TO THE MANAGING DIRECTOR**

As permitted by the Company's Constitution, the Board may delegate to the MD all those powers and authorities required to manage and control the day to day operation of the Company that are

- not expressly reserved to the Board as set out above in this Charter; or
- not expressly delegated to a Committee; or
- under any Instrument of Delegation, such as a monetary authority limit approved by the Board from time to time.

The MD's role includes:

- responsibility for the effective leadership of the management team;
- the implementation of the Company's strategic objectives and instilling and reinforcing its values;
- the day-to-day management of the Company's operations (including operating within the values, code of conduct, budget and risk appetite set by the Board); and
- oversight of the provision by Senior Management to the Board of accurate, timely and clear information on the Company's operations (including, but not limited to, information about the Company's financial control, risk management, financial performance, compliance with material laws and regulations and any conduct materially inconsistent with the Company's values or code of conduct).

## 5. THE ROLE OF THE CHAIR

Where possible, the Chair should be an independent non-executive Director. The MD should not be the Chair of the Company.

The Chair is responsible for the leadership of the Board, ensuring it is effective, setting the agenda of the Board, conducting the Board meetings and conducting the shareholder meetings. The Chair should facilitate the effective contribution of all Directors and promote constructive and respective relations between Directors and between the Board and management.

## 6. BOARD COMMITTEES

Whilst at all times the Board retains full responsibility for guiding and monitoring the Company, in discharging its stewardship it makes use of committees.

To this end the Board has established an Audit and Risk Committee which carries out its duties in line with the Audit and Risk Committee Charter. The Board may establish additional separate committees when it deems appropriate.

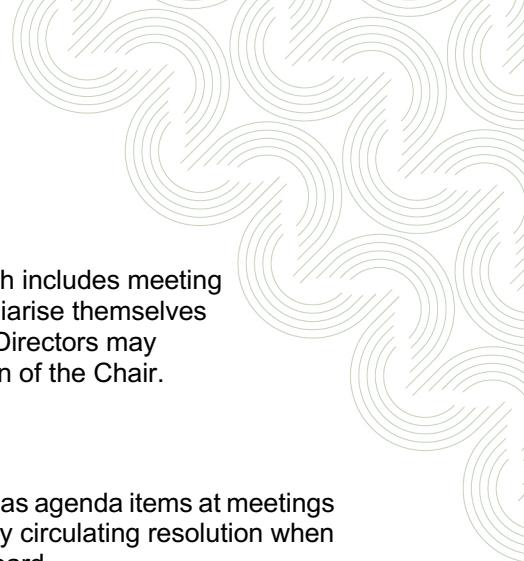
The Board does not currently have a separate Nomination Committee or Remuneration Committee. The Board, as a whole, serves as these Committees. The Board does not believe any efficiency or other benefits would currently be gained by establishing a separate Nomination and Remuneration Committee.

## 7. APPOINTMENT & ELECTION OF DIRECTORS

New Directors are provided with formal letters setting out the key terms and conditions of their employment and are also required to enter into an agreement with the Company in relation to disclosure of directors' interests.

Prior to the appointment of any Director, and before a candidate is put forward as a candidate for election as a Director, appropriate checks will be undertaken of the person including checks regarding the person's experience, education, disqualification from holding certain offices, criminal record and bankruptcy history.

The recruitment process for any new director will include evaluation of the balance of skills, knowledge, experience, independence and diversity on the Board.



Each new Director will be required to participate in an induction program which includes meeting with the Board, the MD, other executives and the Company Secretary to familiarise themselves with the Company, its strategy and operations, and policies and procedures. Directors may undertake and request training as appropriate to their role, with the permission of the Chair.

## **8. BOARD MEETINGS**

The Board shall meet as required. Executives responsible for matters included as agenda items at meetings will also attend Board meetings. Resolutions of the Board may be approved by circulating resolution when required. The Constitution governs the regulations and proceedings of the Board.

The Board will also hold periodic workshops to consider matters relating to Company strategy and may also visit Company operations and meet with company management on an informal basis during the year. The Board will periodically meet without the presence of Senior Management to address such matters as succession planning, key strategic issues and Board operation and effectiveness.

## **9. ACCESS TO INFORMATION AND ADVICE**

All Directors have unrestricted access to company records and information except where the Board determines that such access would be adverse to the Company's interests.

All Directors may consult management and employees as required to enable them to discharge their duties as Directors.

The Board, Board Committees or individual Directors may seek independent external professional advice as considered necessary at the expense of the Company, subject to prior consultation with the Chair. A copy of any such advice received would be made available to all members of the Board.

The Company's external auditors are not to be constrained from raising matters directly with the Board.

## **10. COMPANY SECRETARY**

The Company Secretary is directly accountable to the Board through the Chair, for all matters concerning the proper functioning of the Board, including advising the Committees on governance matters, monitoring that the Board and Committee Policies and Procedures are followed, and ensuring that the business at Board and Committee meetings is accurately captured in the minutes.

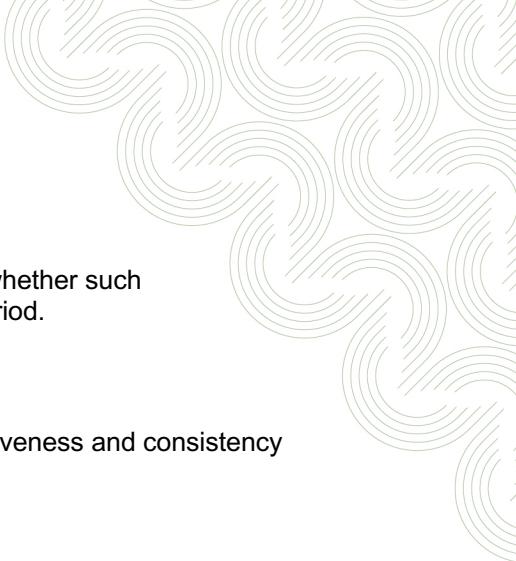
## **11. INDEMNITY OF DIRECTORS**

Each Director of the Company will enter into a deed with the Company whereby the Company:

- to the extent permitted by law, agrees to indemnify the Director against liability out of the discharge of their duties;
- agrees to maintain an insurance policy for the Director against liability incurred in his or her capacity for the term of their appointment and for seven years following cessation of office; and
- agrees to maintain all Board papers relating to the Director's period of appointment and to make those papers available to the Director for a period of seven years following cessation of office.

## **12. REVIEW OF BOARD, COMMITTEE AND INDIVIDUAL DIRECTORS' PERFORMANCE**

The Board will regularly review the performance of the Board, its committee(s) and each director, using where necessary an external consultant, against appropriate measures.



Each year, the Company will disclose in its corporate governance statement whether such a performance evaluation has been undertaken during or in respect of that period.

### **13. APPROVAL, REVIEW & AVAILABILITY OF CHARTER**

The Board shall review this Charter periodically to ensure its relevance, effectiveness and consistency with best practice.

The Charter will be made readily accessible on the Company's website.

**Date of approval: 26 November 2019**