



# Board Charter

## 1. Purpose of Charter and Role of the Board

This Charter has been approved by the directors of Talius Group Limited (“the Company” or “Talius”) and sets out the functions and responsibilities of the Board of Talius within the governance structure of the Company and its wholly owned entities (The “Talius Group”).

The role of the Board is to provide overall strategic guidance and effective oversight of management. The Board derives its authority to act from the Company’s Constitution.

## 2. The Board’s Relationship with Management

- The Board delegates responsibility for the day-to-day operations and administration of the Company to the Chief Executive Officer/Managing Director.
- Specific limits on the authority delegated to the Chief Executive Officer/Managing Director and the Executive Team must be set out in the Delegated Authorities as approved from time to time by the Board.
- The role of management is to support the Chief Executive Officer/Managing Director and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.
- In addition to formal reporting structures, members of the Board are encouraged to have direct communications with management and other employees within the Talius Group to facilitate the carrying out of their duties as Directors.

## 3. Specific Responsibilities of The Board

In addition to matters it is expressly required by law to approve, the Board has reserved the following matters to itself:

- Defining the purpose and strategic objectives of the Company, while demonstrating leadership so as to ensure management’s implementation of the Company’s values and strategic initiatives and ensuring appropriate resources are available to meet objectives and monitoring management’s performance.
- Approving the Company’s statement of values and code of conduct to underpin the desired culture within the Company.
- Appointment, and where necessary, the replacement, of the Chief Executive Officer/Managing Director, the Company Secretary and other senior executives and the determination of their terms and conditions including remuneration and termination.
- Approving the Company’s remuneration framework and satisfying itself that this align with the Company’s purpose, values, strategic objectives and risk appetite.
- Monitoring the timeliness and effectiveness of reporting to Shareholders.

- Reviewing and ratifying systems of audit, risk management and internal compliance and control, codes of conduct and legal compliance to minimise the possibility of the Company operating beyond acceptable risk parameters.
- Approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures.
- Approving and monitoring the budget and the adequacy and integrity of financial and other reporting such that the financial performance of the company has sufficient clarity to be actively monitored.
- Approving the annual, half yearly and quarterly accounts and the communication to shareholders and the public in respect to the same.
- Approving significant changes to the organisational structure.
- Approving decisions affecting the Company's capital, including determining the Company's dividend policy and declaring dividends.
- Recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them (in accordance with the ASX Listing Rules if applicable).
- Approving the Company's annual corporate governance statement, prepared in accordance with ASX Listing Rule 4.10.3 and ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making.
- Procuring appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as Directors effectively.

#### **4. Composition of The Board**

The Company's Constitution provides that there shall at all times have at least three (3) Directors, while the number of Directors shall not exceed nine (9) at any point in time. Subject to the Constitution additional directors may be appointed at the Board's discretion.

The Board should comprise Directors with a mix of qualifications, experience and expertise which will assist the Board in fulfilling its responsibilities, as well as assisting the Company in achieving growth and delivering value to shareholders.

In appointing new members to the Board, consideration must be given to the demonstrated ability and also future potential 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.

Appropriate checks will be undertaken before appointing any person or putting forward candidates for election as a director to shareholders. Shareholders will be provided with available material information relevant to the shareholders' consideration of a candidate for election as director,

including in the case of new directors that appropriate checks have been undertaken and if anything, material of concern has been revealed by those checks.

The composition of the Board is to be reviewed regularly against the Company's Board skills matrix prepared and maintained by the Nominations Committee to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction.

Where practical, the majority of the Board should be comprised of non- executive Directors. It is Board policy that wherever reasonably practical, at least 50% of the Directors should be independent.

An independent Director is a director who is free 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 Company and its security holders generally.

In assessing the independence of Directors, the Board has regard to the to the provisions as detailed in Box 2.3 of the ASX Corporate Governance Council "Corporate Governance Principles and Recommendations 4<sup>th</sup> Edition".

Generally, Talius defines an independent director as a non-executive director, who is free of any business or other relationship that could materially interfere with or could reasonable be perceived to materially interfere with the director's unfettered and independent judgement and ability to act in the best interests of the Company. The Board will consider the effect of a director's business and other relationships and interests from the perspective of both the Company and the director; and may determine that a director is independent notwithstanding the existence of a relationship of the kind referred to above.

Prior to the Board proposing re-election of non-executive Directors, their performance will be evaluated by the Nomination and Remuneration Committee to ensure that they continue to contribute effectively to the Board.

The Company must disclose the relevant qualifications and experience of each Board Member as well as their length of service in, or in conjunction with, its Annual Report.

## **5. Directors Responsibilities**

Where a Director has an interest, position, association or relationship of the type described in the independence tests, but the Board is of the opinion that it does not compromise the independence of the Director, the Company must disclose the nature of the interest, position, associations or relationship in question and an explanation of why the Board is of that opinion.

Directors must disclose their interests, positions, associations or relationships. The independence of the Directors should be regularly assessed by the Board in light of the interests disclosed by them.

Directors are expected to bring their independent views and judgement to the Board and must declare immediately to the Board any potential or active conflicts of interest.

Directors must declare immediately to the Board, and the Board will determine whether to declare to the market, any loss of independence.

Directors are expected to continually review the number of Boards on which they serve to ensure that each company can be given the time and attention to detail required to properly exercise their powers and discharge their duties. A Director must notify the Chairman prior to accepting an invitation to become a Director of any publicly listed company and in the case of the Chairman, the Chair of the Audit Committee.

No member of the Board (other than a Managing Director) may serve for more than three years or past the third annual general meeting following their appointment, whichever is the longer, without being re-elected by shareholders.

## **6. The Role of the Chairman**

The Board will elect from one of their number a Chairman.

The Chairman is responsible for the leadership of the Board, ensuring it is effective, setting the agenda of the Board, conducting the Board meetings, ensuring then approving that an accurate record of the minutes of board meetings is held by the Company and conducting the shareholder meetings.

Where practical, the Chairman will be an independent, non-executive Director. If a Chairman ceases to be an independent Director, then the Board will consider appointing a lead independent Director.

Where practical, the Chief Executive Officer/Managing Director should not be the of the Company during his term as Chief Executive Officer/Managing Director or in the future.

The Chairman must be able to commit the time to discharge the role effectively.

The Chairman should facilitate the effective contribution of all Directors and promote constructive and respectful relations between Board members and management.

In the event that the Chairman is absent from a meeting of the Board then the Board shall appoint a Chairman for that meeting in an acting capacity.

## **7. Board Committees**

The Board has established through written charters, the following Committees to assist it in exercising its responsibilities:

- a) Audit and Risk Committee; and
- b) Nomination and Remuneration Committee.

The charter of each Committee has been approved by the Board and are reviewed regularly or following any applicable regulatory changes. The Board may establish additional or ad hoc committees from time to time to assist it in carrying out its duties.

The Board will ensure that the Committees are sufficiently funded to enable them to fulfil their roles and discharge their responsibilities.

Members of Committees are appointed by the Board. The Board may appoint additional Directors to Committees or remove and replace members of Committees by resolution. The Company must disclose the members and Chairman of each Committee in, or in conjunction with, its Annual Report.

The minutes of each Committee meeting shall be provided to the Board at the next occasion the Board meets following approval of the minutes of such Committee meeting.

The Company must disclose in, or in conjunction with, its Annual Report, in relation to each reporting period relevant to a Committee, the number of times each Committee met throughout the period and the individual attendances of the members at those Committee meetings.

## **8. Board Meetings**

- The Directors may determine the quorum necessary for the transaction of business at a meeting, however, until otherwise determined, there must be two Directors present at a meeting to constitute a quorum.
- The Board will schedule formal Board meetings at least quarterly and hold additional meetings, including by telephone or other forms of electronic means, as may be required.
- Non-executive Directors may confer at scheduled times without management being present.
- The minutes of each Board meeting shall be prepared by the Company Secretary, approved by the Chairman and circulated to Directors after each meeting.
- The Company Secretary shall ensure that the business at Board and committee meetings is accurately captured in the minutes.
- The Company Secretary shall co-ordinate the timely completion and distribution of Board and committee papers for each meeting of the Board and any committee.
- Minutes of meetings must be noted and confirmed at the next Board meeting.

## **9. The Company Secretary**

- When requested by the Board, the Company Secretary will facilitate the flow of information of the Board, between the Board and its Committees and between senior executives and non-executive Directors.
- The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.
- The Company Secretary is to facilitate the induction and professional development of Directors.
- The Company Secretary is to facilitate and monitor the implementation of Board policies and procedures.

- The Company Secretary is to provide advice to the Board on corporate governance matters, the application of the Company's Constitution, the ASX Listing Rules and applicable other laws.
- All Directors have access to the advice and services provided by the Company Secretary.
- The Board has the responsibility for the appointment and removal, by resolution, of the Company Secretary.

#### 10. Access to Independent 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, 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 Chairman. A copy of any such advice received is made available to all members of the Board.

#### 11. Performance Review

The Board believes that regular assessment of the Board's effectiveness and the contribution of individual Directors are essential to improve the governance and guidance of the Company. The Nomination and Remuneration Committee shall conduct an annual performance review of the Board that:

- a) compares the performance of the Board with the requirements of its Charter;
- b) critically reviews the mix of the Board; and
- c) suggests any amendments to the Charter as are deemed necessary or appropriate.

#### 12. Review of Charter

The Board, so as to keep this Charter up to date and consistent with its objectives and responsibilities, will review this Charter regularly but no longer than every three (3) years unless there are regulatory changes that necessitate its update or review sooner.

### APPROVAL

This Charter was last reviewed and updated by the Board 6 July 2023.



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Chairman of Talius Group Limited