



Board Charter

**Eildon Capital Limited (ACN 059 092 198)
(Company)**

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1 Purpose of this document

This document sets out the functions and responsibilities of the board of directors of the Company (**Board**) within the governance structure of the Company and its subsidiaries (together, **Group**).

2 Role and responsibilities of the Board

The role of the Board is to build sustainable value for the Company's shareholders whilst respecting the interests of its stakeholders. The Board as a whole is collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs.

The Board is responsible for:

- (a) providing leadership and setting the strategic objectives of the Company;
- (b) appointing the chairperson of the Board (**Chairperson**) and, if the Company has one, the deputy chairperson;
- (c) appointing, and when necessary replacing, the Managing Director;
- (d) approving the appointment, and when necessary replacement, of other senior executives;
- (e) overseeing management's implementation of the Group's strategic objectives and its performance generally;
- (f) approving operating budgets and major capital expenditure;
- (g) overseeing the integrity of the Group's accounting and corporate reporting systems, including the external audit;
- (h) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Group that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (i) ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate;
- (j) approving the Company's remuneration framework; and
- (k) monitoring the effectiveness of the Company's governance practices.

3 Role and responsibilities of chairperson and company secretary

3.1 Chairperson

The Chairperson must be a non-executive director. The Chairperson is responsible for:

- (a) the leadership of the Board;
- (b) the efficient organisation and conduct of the Board's function;
- (c) providing briefings if required to all directors of the Company (**Directors**) in relation to issues arising from Board meetings;
- (d) facilitating the effective contribution of all Directors; and
- (e) promoting constructive relations between Board members and between the Board and management.

If the Company has a deputy chairperson, then that deputy chairperson will stand in for, and fulfil the role of, the Chairperson in the latter's absence.

- (f) establishing and overseeing the implementation of policies and systems for Board performance review and renewal.

3.2 **Company secretary**

The company secretary of the Company (**Company Secretary**) acts as secretary of the Board, attending all meetings of the Board as required. The Company Secretary is accountable directly to the Board, through the Chairperson, on all matters to do with the proper functioning of the Board. The Company Secretary is responsible for:

- (a) advising the Board and its committees on governance matters;
- (b) monitoring that Board and committee policy and procedures are followed;
- (c) coordinating the timely completion and despatch of Board and committee papers;
- (d) ensuring that the business at Board and committee meetings is accurately captured in the minutes;
- (e) helping to organise and facilitate the induction and professional development of Directors and the Company Secretary; and
- (f) acting as secretary of each committee established by the Board.

4 **Delegation of authority**

4.1 **Delegation to committees**

The Board may establish committees to assist it in carrying out its role.

Each standing committee will be required to adopt a charter approved by the Board, which sets out its composition, responsibilities and other matters relating to its effective operation.

As at the date of this document, the Board has established an Audit and Risk Committee.

Additional committees may be established from time to time to consider other matters of special importance.

4.2 **Delegation to management**

The Managing Director is responsible for the overall operational, business and performance of the Group and management of the Group in line with the strategy, plans and policies approved by the Board.

The Board has delegated to the Managing Director the authority to manage the day to day affairs of the Group and the authority to control the affairs of the Group in relation to all matters other than those responsibilities reserved to itself (as set out in this document and its policies) or its committees (as set out in the charters of those committees).

The Board may impose further specific limits on these delegations of authority to the Managing Director, and will review those limits and the delegations in general from time to time.

5 **Membership of the Board**

5.1 **Composition and size**

Subject to the Company's constitution, the Board will determine the size and composition of the Board.

The Company will seek to have Directors with an appropriate range of skills, experience and expertise and an understanding of and competence to deal with current and emerging issues of the business.

5.2 Board skills matrix

In reviewing the composition and succession plans pertaining the Board, and the Company's continuing professional development programs/initiatives for Directors, the Board will do so by reference to and with guidance from a "skills matrix" which includes:

- (a) expertise and experience in one or more of the industry sectors, regulatory environments and/or market segments in which the Group operates;
- (b) experience in board or senior executive positions in other companies or organisations;
- (c) experience in risk management;
- (d) commercial and financial acumen; and
- (e) knowledge, experience and commitment to corporate governance.

5.3 Appointment and re-election of directors

When a vacancy on the Board arises, and the Board considers that a suitable candidate has been found, that person may be appointed by the Board to fill a casual vacancy in accordance with the Company's constitution.

Non-executive directors will be engaged by a letter of appointment setting out the terms and conditions of their appointment. Directors will be expected to participate in any induction or orientation programs on appointment, and any continuing education or training arranged for them.

Directors must retire from office in accordance with the Company's constitution. Retiring directors may be eligible for re-election.

5.4 Independence of Directors

The Board will assess the independence of Directors with reference to the definition of "independent director" set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, namely:

"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 entity and its security holders generally"

All facts and circumstances will be considered by the Board in determining the independence of a Director. It is not possible to provide prescriptively for all circumstances that will constitute a conflict of interest or a material relationship. Nor is it possible to pre-determine whether such circumstances will be concluded as likely to affect Directors' independent exercise of judgement.

Subject to the general proviso referred to above, a non-executive Director will generally be considered independent if they:

- (a) have not within the last three years been an executive of the Company (or other Group member);
- (b) have not in the last three years been a principal of a material professional adviser or a material consultant to the Company (or other Group member) or an employee materially associated with the service provided;
- (c) have not in the last three years been in a material business relationship (eg, as a supplier or customer) with the Company or other Group member, or an officer or otherwise associated directly or indirectly with, someone having such a relationship;

- (d) have not been a substantial shareholder of the Company or an officer of or otherwise associated directly with, a substantial shareholder of the Company;
- (e) do not have a material contractual relationship with the Company or other Group member other than as a director of the Company or Group member;
- (f) do not have close family ties with any person who falls within any of the above categories; or
- (g) have not been a Director for such a period that their independence may have been compromised.

The Board will regularly assess the independence of each Director in light of the interests disclosed by them.

5.5 Conduct of Directors

Each Director must at all times act in accordance with legal and statutory requirements, and discharge all their duties as a director of the Company.

Each Director must also comply with the Company's policies that apply to them, including but not limited to the Company's:

- (a) Code of Conduct Policy; and
- (b) Securities Trading Policy.

6 Board process

All Board meetings will be conducted in accordance with the Company's constitution and all applicable legal requirements.

Following consultation with the Chairperson, Directors may seek independent professional advice at the Company's expense. Generally, this advice will be available to all Directors.

7 Board performance evaluation

The Board will undertake a performance evaluation of the Board collectively and each Director individually on an annual basis. Each of the Board's committees will also conduct an annual evaluation of their performance, which is reported to the Board.

8 Review of this document

The Board is responsible for reviewing this document and the division of functions and responsibilities in the Company to determine its appropriateness to the needs of the Company from time to time. This document may be amended by resolution of the Board.