

## **FACILITATE DIGITAL**

### **BOARD CHARTER**

The business of the Facilitate Digital Group is governed under the direction of the Board of Directors. The Board is accountable to Shareholders for the performance of the company.

#### **Role of the Board**

- (a) The Board has primary responsibility to Shareholders for the sustainability and relevance of the Facilitate Digital Group by guiding and monitoring its business and affairs.
- (b) In carrying out its responsibilities, the Board undertakes to serve the interests of Facilitate Digital Group Shareholders, employees, customers and the broader community.
- (c) Each Director of Facilitate Digital Group will act in good faith in the best interests of the Facilitate Digital Group as a whole, and collectively oversee and appraise the strategies, major policies, processes and performance of the company using care and diligence to ensure that Facilitate Digital Group's long term sustainability is assured.
- (d) Directors will not misuse their position on the Board to advance personal interests nor to represent particular constituencies. Directors will not use information available to them as Board members to advance personal interests or agendas.
- (e) Directors are required to inform the Board of any conflicts or potential conflicts of interest they may have in relation to particular items of business. Directors must absent themselves from discussion or decisions on those matters. Where a conflict of interest or potential conflict is not identified by a Director, the Chair of the Board or Committee (or other Directors) will call the matter to the attention of the Director.

To assist the Board in carrying out its functions, it has developed a Code of Conduct to guide the Directors, the Chief Executive Officer and other key executives in the performance of their roles.

#### **Structure and composition**

The Facilitate Digital Group Constitution provides for the election of a minimum of three Directors and a maximum of nine Directors.

- (a) The Directors may elect one of their number as Chairperson, and may elect another Director as Deputy Chairperson to act as Chairperson in the Chairperson's absence.
- (b) A Director is not required to hold shares in the company and can be an employee of the Facilitate Digital Group.
- (c) The Directors may appoint any person as a Director to fill a casual vacancy, or as an addition to the existing Directors. Unless the Director is an Executive Director, the Director will hold office until the end of the next annual general meeting of the Company, at which the Director may be re-elected.
- (d) The Company at a general meeting at which a Director retires, may by ordinary resolution fill the vacated office by electing a person to that office.
- (e) At the close of the annual general meeting a number of Directors must retire from office, being the number:
- determined by the Directors; or
  - required for compliance with the listing rules; or
  - one,
- whichever is the greatest.
- (f) The Directors to retire by rotation at an annual general meeting are those Directors who have been longest in office since the last election. Directors elected on the same day may agree among themselves, or determine by lot, which of them must retire.
- (g) A Director must retire from office at the conclusion of the third annual general meeting after the Director was last elected, and will be eligible for re-election at the meeting.
- (h) The Directors may appoint a Director to the office of Managing Director or Executive Director on such terms as they think fit, and if for a fixed term, such term must not exceed five years.
- (i) A Managing Director is not subject to retirement by rotation and is not taken into account in determining the rotation of retirement of Directors. Any other Executive Director is subject to the retirement by rotation.

### **Responsibilities of the Board**

The Board is responsible for the management of the affairs of Facilitate Digital Group, including:

- (a) Setting the strategic direction of Facilitate Digital Group and monitoring management's implementation of that strategy;
- (b) Selection and appointing the Chief Executive Officer, determining his/her conditions of service and monitoring his/her performance against established objectives;
- (c) Appointing the Company Secretary;
- (d) Reviewing on a regular basis, the conditions of service and performance monitoring procedures to apply to senior management;
- (e) Monitoring financial outcomes and the integrity of reporting; in particular, approving annual budgets and longer-term strategic and business plans;
- (f) Setting specific limits of authority for management to commit to new expenditure, entering contracts or acquiring businesses without Board approval;
- (g) Approving acquisitions and disposals of businesses and investments above the delegated limits of authority;
- (h) Approving significant changes of key policies;
- (i) Ensuring that effective audit, risk management and compliance systems are in place to protect the Company's assets and to minimise the possibility of Facilitate Digital Group operating beyond legal requirements or beyond acceptable risk parameters;
- (j) Monitoring compliance with regulatory requirements and ethical standards;
- (k) Reviewing, on a regular basis, senior management succession planning and development;
- (l) Reporting to the shareholders on the discharge of their responsibilities in such a manner as is approved by the Board from time to time;
- (m) Appointing such Committees of the Board as may be appropriate to assist in the discharge of its responsibilities, determining their responsibilities and approving a charter for each Committee.

In discharging these responsibilities, each Director is bound by the Corporations Act, the Constitution and all charters, policies and codes of conduct in force from time to time including, but not limited to:

- This Charter
- The Committee charters
- The Directors' Code of Conduct

- The Facilitate Digital Group Shareholder/Director Correspondence Protocol
- The Board Expenditure Policy.

The Board's responsibilities are collegiate and, once decisions are made, Directors must not publicly advocate policies contrary to established Board decisions.

The Board delegates to the Chief Executive Officer (CEO) responsibility for implementing the strategic direction, and for managing the day-to-day operations of Facilitate Digital Group.

The Board and Directors relate to the staff of the organisation primarily through the CEO and contact between staff and Directors is coordinated through the CEO.

### **Independence of Directors**

All directors are required to bring an independent judgement to bear in decision-making regardless of whether they satisfy the Company's definition of independence.

An independent director is a non executive director, and:

- (a) is not a substantial shareholder (holding at least 5% of the company's issued shares) or an officer of the Company, or otherwise associated directly with, a substantial shareholder of the Company;
- (b) has not within the last three years been employed in an executive capacity by the Company or another Group member, or been a director after ceasing to hold any such employment;
- (c) has not within the last three years been a principal of a material professional adviser or a material consultant to the Company or another Group member, or an employee materially associated with the service provided;
- (d) is not a material supplier or customer of the Company or another Group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- (e) has no material contractual relationship with the Company or other Group member other than as a director of the Company;
- (f) has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company; and
- (g) is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.

## **Education and Induction**

New directors will undergo an induction process in which they are given a full briefing on the Company. This includes meetings with key executives, visits to offices, an induction package and presentations. Information conveyed to new directors will include:

- details of the roles and responsibilities of a director with an outline of the qualities required to be a successful director;
- formal policies on director appointment as well as conduct and contribution expectations;
- details of all relevant legal requirements;
- a copy of the Board Charter;
- guidelines on how the Board processes function;
- details of past, recent and likely future developments relating to the Board including anticipated regulatory changes;
- background information on and contact information for key people in the organisation including an outline of their roles and capabilities;
- an analysis of the Company;
- a synopsis of the current strategic direction of the Company including a copy of the current strategic plan and annual budget; and
- a copy of the Constitution of the Company.

All directors are encouraged to undergo ongoing professional development to achieve continuing improvement in Board performance.

## **Role of the Chairperson**

The responsibilities of the Chairman are principally to:

- (a) Liaise with the Chief Executive Officer and the Company Secretary to see that new Board members are appropriately briefed and have access to information on aspects of the Company's operations;
- (b) Establish the agenda for Board meetings, in consultation with the Chief Executive Officer and Company Secretary;

- (c) Be the main point of contact and communication between the Board and the Chief Executive Officer, ensuring that the Board's views are communicated clearly and accurately;
- (d) Act as primary counsellor to the Chief Executive Officer.
- (e) Lead the review of the Board's performance and the review of the CEO's performance, ensuring that the delegated authority of the CEO and expected key performance criteria for the CEO are clear.
- (f) Preside over Board and General Meetings of the Company. He/she has the task of making sure the Board is well informed and effective; that the members, individually and as a group, have the opportunity to air differences, explore ideas and generate the collective views and wisdom necessary for the proper operation of the Board and the Company;
- (g) Set a standard for Board members in terms of attendance at meetings and prior familiarity with Board Papers distributed and issues to be raised;
- (h) Ensure that the meetings are conducted competently, ethically and in an open fashion consistent with a transparent culture; he/she is expected to provide effective leadership in formulating the strategic direction for the Group; and
- (i) Ensure that general meetings are conducted efficiently and that members have adequate opportunity to air their views and obtain answers to their queries.

### **Independent Professional Advice**

The Board collectively and each director has the right to seek independent professional advice at the Company's expense to assist them in carrying out their responsibilities. The Chairman is to be advised prior to the expense being incurred.

### **Related Party Transactions**

Related Party Transactions include any financial transaction between a director and the Company and will be reported at each Board meeting. Unless there is an exemption under the Corporations Act 2001 from the requirement to obtain shareholder approval for the Related Party Transaction, the Board cannot approve the transaction.

### **Review of performance**

The Board will conduct an evaluation of its performance as a Board. The method of conducting each review, and the extent of that review, is for the Board to determine from time to time.

## **Review of Charter**

The Board will regularly review this charter and the charters of Board Committees to ensure they remain consistent with the Board's objectives and responsibilities, and relevant standards of corporate governance.