

Board Charter

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Board Charter

amaysim Australia Limited (the Company)

1. Introduction

1.1 Purpose of Charter

This is the Charter of the Board of the Company (the **Charter**). The Charter governs the operations of the Board. It sets out the Board's role and responsibilities, composition, structure and membership requirements.

1.2 Role of Board

The Board is responsible for the overall operation and stewardship of the Company and, in particular, for the long-term growth and profitability of the Company, the strategies, policies and financial objectives of the Company, and for monitoring the implementation of those policies, strategies and financial objectives, including the responsibilities set out below.

In performing the responsibilities set out in this Charter, the Board should act at all times in a manner designed to create and continue to build sustainable value for shareholders and in accordance with the duties and obligations imposed on them by the Company's constitution and by law.

1.3 Review of Charter

The Board must review and reassess this Charter periodically and, if required, make any amendments to the Charter.

2. Roles and responsibilities of the Board

2.1 Strategy

The role of the Board in respect of strategy includes:

- (a) providing input to, and approval of, the Company's strategic direction and budgets as developed by management;
- (b) directing, monitoring and assessing the Company's performance against strategic and business plans, to determine if appropriate resources are available; and
- (c) approving and monitoring capital management and major capital expenditure, acquisitions and divestments.

2.2 Risk management & reporting

The role of the Board in respect of establishing acceptable levels of risk within which the Board expects management of the Company to operate, risk management and reporting includes:

- (a) ensuring the Company has in place an appropriate risk management framework and establishing the acceptable levels of risk within which the

Board expects the management of the Company to operate which may include economic, environmental and social sustainability risks, as well as operational, financial and strategic risks;

- (b) reviewing and ratifying the Company's systems of internal compliance and control, risk management frameworks and legal compliance systems, to determine the integrity and effectiveness of those systems; and
- (c) approving and monitoring material internal and external financial and other reporting, including:
 - (i) periodic reporting to shareholders, the ASX and other stakeholders; and
 - (ii) overseeing the Company's processes for making timely and appropriate disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities.

2.3 Relationship with management

The role of the Board in relation to management includes:

- (a) appointment and removal of the Chief Executive Officer (or equivalent) and the Company Secretary;
- (b) ratifying the appointment and removal of senior executives (which includes all executives who report directly to the Chief Executive Officer);
- (c) approving the Company's remuneration policies and framework and determining whether the remuneration and conditions of service of senior executives are appropriate and consistent with the approved remuneration policies and framework;
- (d) establishing and monitoring executive succession planning;
- (e) delegating the day to day decision making and implementation of Board approved strategy to the Chief Executive Officer; and
- (f) setting specific limits of authority for management.

2.4 Monitoring of performance

The role of the Board in respect of performance monitoring includes:

- (a) approving criteria for assessing performance of senior executives and monitoring and evaluating their performance; and
- (b) undertaking an evaluation of the performance of the Board, each Board Committee and individual Directors, comparing their performance with the requirements of this Charter, relevant Board Committee Charters and the reasonable expectations of individual Directors,
- (c) each year following the performance review, the Chairperson should establish the goals and objectives of the Board for the upcoming year and

effect any amendments to this Charter and any Board Committee Charter considered necessary or desirable.

2.5 Corporate governance

The role of the Board in respect of corporate governance includes:

- (a) selecting and appointing the Board chair, and if the Company has one, the deputy chair or senior independent director;
- (b) ensuring ethical behaviour and compliance with the Company's own governing documents, including the Company's Code of Conduct; and
- (c) monitoring and evaluating the Company's compliance with its corporate governance standards.

2.6 Board Committees

The role of the Board includes:

- (a) establishing such committees of the Board as may be appropriate including the following Board Committees:
 - (i) Audit Committee; and
 - (ii) Remuneration and Nomination Committee;
- (b) adopting Charters setting out the membership, responsibilities and reporting obligations of each Board Committee and evaluating the performance of the Board Committees; and
- (c) undertaking an annual performance evaluation of each Board Committee that compares the performance of the Board Committee with the requirements of the relevant Board Committee Charter, sets forth the goals and objectives of the Board Committee for the upcoming year and effecting any amendments to the relevant Board Committee Charter considered necessary or desirable.

2.7 Review of media releases and ASX announcements

The Board, or a delegated representative of the Board (from time to time), will receive, review, discuss and approve all ASX and media releases in accordance with the Company's Communications Policy.

2.8 Other

The role of the Board also includes performing such other functions as prescribed by law.

3. Board composition and related matters

3.1 Board size

The Constitution of the Company provides that the number of Directors must at any time be no more than 10 and no less than 3.

3.2 Board composition

The Board should comprise:

- (a) a majority of people who are independent¹ Directors;
- (b) people with a mix of skills and diversity of backgrounds to enable the Board to discharge its duties effectively.

3.3 Chair

The Chairperson of the Board should be independent and should not hold the role of Chief Executive Officer (or equivalent).

3.4 Company secretary

The Company Secretary will:

- (a) be appointed and removed by the Board;
- (b) report to and be accountable to the Board, through the Chairperson of the Board, on all matters to do with the proper functioning of the Board and Board Committees; and
- (c) perform the role in accordance with Recommendation 1.4 of the Corporate Governance Principles and Recommendations (3rd edition) of the ASX Corporate Governance Council.

3.5 Independent directors

An independent director is a non executive 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.

Examples of interests, positions, associations and relationships that might cause doubts about the independence of a director include if the director:

- (a) is, or has been, employed in an executive capacity by the Company or another group member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- (b) is, or has within the last three years been, a partner, director, or senior employee of a provider of material professional services to the Company or another group member;
- (c) is, or has been within the last three years, in a material business relationship (e.g. as a supplier or customer) (refer to Section 3.6) with the Company or other group member, or an officer of, or otherwise associated with, someone with such a relationship;

¹ Independent, as defined by the ASX Corporate Governance Council. See section 3.5 below.

- (d) is a substantial shareholder of the Company², or an officer of or otherwise associated with a substantial shareholder of the Company;
- (e) has a material contractual relationship with the Company or another group member other than as a director;
- (f) has close family ties with a person who falls within any of the above categories; or
- (g) has been a director of the Company for such a period that his or her independence may have been compromised.

Family ties and cross-directorships may be relevant in considering interests and relationships which may compromise independence, and should be disclosed by Directors to the Board.

The Board will:

- (a) disclose the names of Directors it considers to be independent and the length of service of each Director; and
- (b) regularly review the independence of each Director in light of interests disclosed and will disclose any change to ASX, as required by the ASX Listing Rules.

3.6 Material business relationship

A professional adviser, consultant, supplier or customer will be considered to have a material business relationship with the Company if:

- (a) from the perspective of the director, the business relationship is significant (directly or indirectly) to their own circumstances; or
- (b) from the Company's perspective, the business relationship generates revenue or expenses (to the Company) of 5% or more of the Company's total revenues or expenses, as applicable.

3.7 Board judgement that a director remains independent

- (a) The Board may consider a director to be independent notwithstanding that the Director has an interest or relationship set out in Section 3.5.
- (b) In these circumstances, the Board will take into account:
 - (i) the nature and extent of the interest or relationship;
 - (ii) the type of transactions that are normally entered into between the Company and the other party, the nature of the transactions and whether the Director has been personally involved in negotiating the terms and conditions of any of the transactions; and

² Substantial shareholder takes its meaning from section 9 of the Corporations Act which provides that a person has a substantial holding if it holds 5% or more of the total votes attaching to voting shares in the Company.

- (iii) any other matters the Board considers relevant to its assessment.
- (c) If the Board determines that, notwithstanding the interest or relationship, the Director is independent, the Board will disclose its reasons for this assessment and the interest or relationships of the Director in the annual corporate governance statement.

3.8 Appointing new directors

When considering the appointment of a person as a Director, the Board will:

- (a) undertake appropriate checks before appointing the person, or putting the person forward to shareholders as a candidate for election as a Director; and
- (b) provide shareholders with all material information in the possession of the Company relevant to a decision on whether or not to elect or re-elect a person as a Director, including whether the person will qualify as an independent Director.

4. Management and delegation

4.1 Chief Executive Officer and management

The Chief Executive Officer (or equivalent) is responsible for running the day to day affairs of the Company under delegated authority from the Board and to implement the policies and strategy set by the Board. In carrying out the Chief Executive Officer's responsibilities, the Chief Executive Officer (or equivalent) must ensure that the Board is provided with accurate information in a timely and clear manner and ensure all reports to the Board present a true and fair view of the Company's financial condition and operational results.

4.2 Delegation to management

The role of management is to support the Chief Executive Officer (or equivalent) and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board. The delegated authority includes responsibility for:

- (a) developing business plans, budgets and strategies for the Company for consideration by the Board and, to the extent approved by the Board, implementing these plans, budgets and strategies;
- (b) operating the Company's business within the parameters set by the Board from time to time and keeping the Board informed of material developments in the Company's business;
- (c) in respect of proposed transactions, commitments or arrangements that exceed the parameters set by the Board, referring such matters to the Board for its consideration and approval;
- (d) identifying and managing operational and other risks and, where those risks could have a material impact on the Company's businesses, formulating strategies for managing these risks for consideration by the Board;

- (e) implementing the policies, processes and codes of conduct approved by the Board; and
- (f) managing the Company's current financial and other reporting mechanisms and control and monitoring systems to ensure that these mechanisms and systems function effectively and capture all relevant material information on a timely basis.

4.3 Senior executives

The Company will have:

- (a) a written agreement with each person appointed as a senior executive of the Company setting out the terms of their appointment; and
- (b) a process for ensuring that the performance of senior executives of the Company are reviewed at least annually.

5. Other matters

5.1 Protocols where a director has a conflict of interest

From time to time a director may have a conflict of interest. To help Directors manage any such conflicts the Board has developed protocols setting out the structures and procedures to be followed with the aim of ensuring that the consideration of matters by the Board and any Board committees is undertaken free from any actual influence or appearance of influence from persons with conflicts of interest, and that the disclosure of the Company's confidential information is to be subject to appropriate corporate governance controls. Those protocols are set out in Annexure A.

5.2 Independent Professional Advice For Directors

- (a) Directors may obtain independent professional advice, at the Company's cost, in carrying out their responsibilities.
- (b) It will be appropriate to obtain independent professional advice where:
 - (i) the issue or recommendation in question is one which the Director reasonably considers, after consulting with the Board or the Chairman of the Board, is of a character that makes obtaining independent advice appropriate; and
 - (ii) the Board or Chairman, following such consultation consents to the obtaining of such advice.
- (c) Independent professional advice can be obtained without the involvement of the Company's management where the Board or the Chairman considers it appropriate to do so.
- (d) A suitable qualified expert in the appropriate field should be instructed. Prior to instructing the expert, the Director should advise the Board or Chairman of the fee payable which must be reasonable having regard to the nature of the advice sought and the fees charged by comparable experts.

- (e) All instructions to the expert must be in writing specifying the party instructing and the capacity in which that party is acting and the party to whom the advice is to be addressed.
- (f) Except in circumstances of competing interests between the Directors or the Director and the Company, a copy of the advice, the letter of instruction, and all materials which accompanied the letter must be provided to the Board.

5.3 Terms of appointment of Directors

- (a) All Directors are expected to continue as Directors only for so long as they have the confidence of their fellow Board members and the confidence of the Company's shareholders.
- (b) In accordance with Constitution of the Company, no Director except a Chief Executive Officer will hold office for a continuous period in excess of three years or past the third annual general meeting following the Director's appointment, whichever is the longer, without submitting for re-election.
- (c) The Company will have a written agreement with each person appointed as a Director setting out the terms of their appointment.

5.4 Inconsistency with the Company's constitution

To the extent that there is any inconsistency between this Charter and the Company's constitution, the constitution will prevail.

5.5 Adoption of Charter and Board review

This Charter (including its annexures) was adopted by the Board as at 24 February 2017, and takes effect from 31 March 2017 and replaces any previous charter in this regard.

The Board will review this Charter periodically. The Company Secretary will communicate any amendments to employees as appropriate.

Annexure A (Board Protocols - Conflicted Directors)

1. Background

1.1 Purpose

The purpose of these protocols is to set out the structures and procedures which have been put in place by the Board of the Company to ensure that the consideration of matters by the Board and any Board committees is undertaken free from any actual influence or appearance of influence from persons with conflicts of interest, and that the disclosure of the Company's confidential information is to be subject to appropriate corporate governance controls.

1.2 Directors duties

Annexed to these protocols is:

- (a) an outline of duties of directors in relation to the disclosure of interests and avoiding conflicts; and
- (b) a discussion of certain conflicts which may arise with nominee directors.

Nothing in these protocols is intended to limit in any way the duties owed to the Company by the directors of the Company (**Directors**).

2. Disclosure of information to Directors

2.1 Directors disclosure of interests

Directors must at all times comply with their duties and obligations as directors of the Company under statute, common law and the Company's constitution to disclose certain interests to the Board and avoid conflicts of interest. The duties of the Directors also include a duty of confidentiality owed to the Company. An outline of certain duties and obligations of Directors is set out in Annexure B to these protocols.

2.2 Review of information before disclosure to directors

Before any information is circulated by the Company's management to the Board or any Board committee, it must first be provided to the Company Secretary (**Probity Officer**) who will determine whether the disclosure of that information to any of the Directors may give rise to a conflict of interest or potential conflict of interest (a **conflict**) in relation to one or more of the Directors. Information which must first be provided to the Probity Officer includes any agendas or papers for Board meetings or Board committee meetings and any documents generated internally or by the Company's advisors. The Chairman may, as appropriate, make certain senior executives and management of the Company aware of this requirement.

In making that determination in respect of a particular Director, the Probity Officer may consult with the Chairman of the Board or, in the event that disclosure of the information to the Chairman may give rise to a conflict, the Deputy Chairman of the Board. If the Chairman or the Deputy Chairman (as applicable) considers it appropriate, he or she may establish a committee comprising of those Directors who do not have a conflict for the purposes of making the determination (**Independent Directors**).

The Chairman or Deputy Chairman (as applicable), or any committee of Independent Directors established by the Chairman or Deputy Chairman, may also for the purposes of making the determination:

- (a) request further information from the relevant Director; and/or
- (b) seek advice from the Company's legal or other advisors.

3. Procedures

3.1 Procedures to be followed before board meeting

Before notice of any matter to be considered by the Board or a Board committee (**Relevant Matter**) is circulated to Directors, the procedure set out in paragraph 2.2 of these protocols must be adopted for the purpose of determining whether the involvement of any of the Directors in the Board's or Board committee's consideration of that Relevant Matter would give rise to a conflict.

3.2 Exclusion of conflicted director

If the Board or a Board committee is required to consider a Relevant Matter and it has been determined in accordance with paragraph 2.2 of these protocols that the involvement of a Director (**Conflicted Director**) in the Board's consideration of the Relevant Matter, or a Board committee's consideration of the Relevant Matter, would give rise to a conflict, then the Conflicted Director:

- (a) must not receive any information about the Relevant Matter; and
- (b) is not entitled to participate in any discussions regarding, nor take part in any decision-making process in relation to, the Relevant Matter,

unless the Independent Directors make a determination under paragraph 3.3 of these protocols.

3.3 Inclusion of conflicted director on limited basis

After following the procedures set out in paragraph 2.2 of these protocols, depending on the nature of the conflict or potential conflict and the application of the particular facts, the Independent Directors may decide that the Conflicted Director can:

- (a) receive part of the information in respect of the Relevant Matter;
- (b) receive redacted versions of information distributed to the Board in respect of the Relevant Matter; or
- (c) participate in the discussions regarding the Relevant Matter but not to vote on resolutions covering the Relevant Matter.

3.4 Procedures where conflicted director excluded

If the Relevant Matter is to be considered at a Board meeting or Board committee meeting and a determination is made under paragraph 3.2 of these protocols (and not under paragraph 3.3 of these protocols):

- (a) the Conflicted Director may only receive modified versions of the agenda and other papers circulated to Directors in respect of that meeting which exclude all information relating to the Relevant Matter;
- (b) the Conflicted Director may attend the meeting provided that the Conflicted Director excuses himself or herself from the meeting during any discussion of the Relevant Matter and takes no part in any decision-making process in relation to the Relevant Matter;
- (c) the Independent Directors must not disclose to the Conflicted Director any information relating to the Relevant Matter including the content of any relevant discussions at Board meetings and any other relevant discussions, negotiations or agreements;
- (d) the Company Secretary will prepare minutes of all meetings of the Board and circulate those minutes to the members of the Board. However, if the Relevant Matter was considered at a meeting, the Conflicted Director will only be provided with a modified version of the minutes of that meeting which excludes those minutes relating to the Board's consideration of the Relevant Matter;
- (e) the Probity Officer will be responsible for establishing and implementing appropriate measures to ensure that the Conflicted Director does not have access to email or any other folders where any documents or other information relating to the Relevant Matter are stored or to any relevant hard copy documents (and if requested by an Independent Director, the Probity Officer will report to the Board on the methodology employed to achieve this result); and
- (f) if the Conflicted Director acquires any information about the Relevant Matter in his or her capacity as a Director which is not publicly available, the Conflicted Director must keep that information confidential in accordance with the duties owed by the Conflicted Director to the Company.

3.5 Compliance with protocols

Each Director:

- (a) must use all reasonable efforts to ensure that each person to whom these protocols apply complies with the protocols;
- (b) must notify the Chairman promptly if the Director becomes aware of any circumstances which, or which are likely to, result in a breach of these protocols, giving sufficient details of those circumstances to the Chairman so that remedial action may be taken; and
- (c) acknowledges that if these protocols are breached, the Company reserves the right to at any time terminate the involvement of the relevant Director, or any associate or involved person, in the Relevant Matter.

These protocols do not limit any other rights that the Company may have against a Director in respect of any breach of any legal or contractual obligations of a Director.

Annexure B (Disclosures of interests and conflicts of interest)

1. Statutory duty to disclose material personal interest

Subject to certain exceptions, a director of a company who has a material personal interest in a matter that relates to the affairs of the company must give the other directors notice of the interest (refer to section 191 of the Australian Corporations Act).

2. Restrictions on attendance and voting

Unless the other directors approve, a director of a public company who has a material personal interest in a matter that is being considered at a directors' meeting must not be present while the matter is being considered at the meeting or vote on the matter (refer to section 195 of the Australian Corporations Act).

3. Standing notice

A director who has an interest in a matter may give the other directors standing notice of the nature and extent of the interest in the matter (refer to section 192 of the Australian Corporations Act). The standing notice may be given at any time and whether or not the matter relates to the affairs of the company at the time the notice is given. The standing notice may be given before the interest becomes a material personal interest. Each director is responsible for promptly updating the information contained in a standing notice it provides to the company.

4. General law – Conflicts of interest

- (a) At general law, directors have a fiduciary duty to avoid conflicts of interest. It is an established principle that directors of a company must not, in any matter falling within the scope of their service, have a personal interest or inconsistent engagement with a third party, except with the company's fully informed consent (often referred to as the **Conflict Rule**).
 - (b) Amongst many of the general principles that have been developed by the Courts in respect of the Conflict Rule, in certain circumstances, mere disclosure of a conflict between interest and duty and abstaining from voting on the matter is insufficient to satisfy a director's fiduciary obligations. Disclosure is generally the minimum requirement, however, in certain circumstances, a positive duty to protect the interests of the company by, for instance, taking steps to prevent a transaction from going ahead, may lie with the directors.
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5. Common form of conflict - use of information by nominee directors

- (a) A common situation in which a conflict may arise is where a nominee director acquires information as a result of the nominee's position as a director that the nominee knows will be of interest to the nominating company. The conflict in this situation includes:
 - (i) a duty of confidentiality owed to the company of which it is a director; and

- (ii) a commercial desire to communicate knowledge acquired to the nominating company as a result of his or her position as a nominee.
- (b) As a basic principle, the duty of confidentiality owed to the company in paragraph 5(a)(i) of this annexure is greater than any duty owed to the nominating company.
- (c) Consequently, as a general rule, if a director acquires any information in his or her capacity as director of a company (which is not otherwise publicly available), the director cannot communicate that information to the nominating company. To do so would potentially breach a number of directors' duties, including the common law duties to act honestly and to avoid conflicts of interest, and the statutory duties to act in good faith, not to misuse position, and not to misuse information (refer to sections 181 to 184 of the Australian Corporations Act).

6. Nominee Directors

- (a) From time to time there may be Directors on the Board who are nominated representatives of shareholders of the Company. If the Board is required to consider a matter which involves, or affects the interests of, a shareholder, any involvement in the Board's consideration of that matter by a Director who is the nominated representative of that shareholder may give rise to a conflict for that Director (for instance, as contemplated in paragraph 5 of this annexure).
- (b) In those circumstances, the procedure set out in paragraph 2.2 of the protocols must be adopted for the purposes of making a determination as to whether the Director's involvement in the Board's consideration of the matter would give rise to a conflict.
- (c) If it is determined that the Director's involvement in the Board's consideration of the matter would give rise to a conflict, that Director must not:
 - (i) be provided with any information relating to that matter;
 - (ii) participate in any discussions regarding that matter; and
 - (iii) take part in any decision-making process in relation to that matter.
- (d) In addition, if that Director acquires any information about the matter, he or she must not, without the consent of the Board, disclose any of that information to the shareholder he or she represents nor attend any discussions or negotiations in relation to the matter between the Company on the one hand and that shareholder.