

## **1. OBJECTIVE**

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- 1.1. The Board Charter sets out the role and responsibilities of the board of directors of Imdex Limited (Company or Imdex).
- 1.2. The objective of the board of directors of Imdex (Board) is to provide an acceptable rate of return to the Company's shareholders and takes into account the interests of its employees, customers, suppliers, lenders and the wider community. To fulfill this role, the Board is responsible for oversight of the management and the overall corporate governance of the Company, including its strategic direction, establishing goals for management and monitoring the achievement of these goals.
- 1.3. The Board will at all times act honestly, fairly and diligently in all respects in accordance with the law applicable to the Company. Furthermore, the Board will at all times act in accordance with all relevant Company policies. Each of the directors will act in the best interests of shareholders of the Company and in the best interests of the Company as a whole.

## **2. RESPONSIBILITIES OF THE BOARD**

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- 2.1 Providing leadership and setting the strategic objectives of the Company
  - (a) Overseeing and approving the Company's strategic planning and operating objectives
  - (b) Approving the entity's statement of Core Values and Code of Conduct to underpin the desired culture within the Company
  - (c) Reviewing and approving the Company's financial position, systems of risk management and internal compliance and control and legal compliance
- 2.2 Financial matters
  - (a) Approving and monitoring the progress of major capital expenditure, capital management and acquisitions and divestitures
  - (b) Approving the annual budget
  - (c) Approving and monitoring financial and other reporting
  - (d) Monitoring the financial performance of the Company
- 2.3 Board matters
  - (a) Appointing the Chairperson
  - (b) Appointing, and when necessary replacing, the Managing Director
  - (c) Approving the appointment, and when necessary replacement, of other senior executives
  - (d) Ratifying the appointment, and, where appropriate the removal of the Chief Financial Officer and the Company Secretary
  - (e) Overseeing management in its implementation of the entity's business model, achievement of the entity's strategic objectives, instilling of the Company's values and performance generally
  - (f) Evaluating the performance of the Managing Director and the senior management team and considering and ratifying the decisions of the Remuneration and Nomination Committee in regard to their remuneration
  - (g) Approving the Company's remuneration framework
  - (h) Ensuring that the entity's remuneration framework is aligned with the Company's purpose, values, strategic objectives and risk appetite

- 2.4 The Board is responsible for the overall corporate governance of the Company, including its strategic direction by:
- (a) Providing overall corporate governance of the Company, including conducting regular reviews of the balance of responsibilities within the Company to ensure the division of functions remain appropriate to the needs of the Company
  - (b) Overseeing the Company's process for making timely and balanced 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
  - (c) Ensuring that policies and procedures are in place and are consistent with the Company's objectives, and that the Company and its officers act legally, ethically and responsibly in all matters including reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance
  - (d) Monitoring the effectiveness of the Company's governance practices
- 2.5 Assess and manage risk and provide a framework for the Company
- (a) 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
  - (b) Appointing the external auditor (based on the recommendations of the Audit, Risk and Compliance Committee) and the appointment of a new external auditor when any vacancy arises, provided that any appointment made by the Board must be ratified by shareholders at the next Annual General Meeting of the Company
  - (c) Liaising with the Company's external auditors and the Audit, Risk and Compliance Committee
  - (d) Overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit.

### **3. COMPOSITION AND STRUCTURE**

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- 3.1 The Board shall be comprised of a majority of non-executive directors and shall be structured so as to meet the ASX Corporate Governance Principles and Recommendations or other such principles and guidance as the Board may consider appropriate from time to time.
- 3.2 Directors must disclose their interests. The Company Secretary will maintain a register of director's interests based on these disclosures. The independence of directors is regularly assessed by the Board.
- 3.3 Directors are expected to bring their independent views 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.
- 3.4 In accordance with the Company's constitution the minimum number of directors is three. The Chairperson shall be a non-executive director.
- 3.5 The composition of the Board is to be reviewed regularly to ensure the appropriate mix of skills and expertise is present to assist the Board in fulfilling its objectives, facilitate successful strategic direction and deliver value to shareholders.
- 3.6 In appointing new directors, consideration is given to the ability of the nominated person to contribute to the ongoing effectiveness of the Board, to exercise sound business judgment, to commit the necessary time to fulfill the requirements of the role effectively and to contribute to the development of the strategic direction of the Company.

- 3.7 No member of the Board may serve for more than three years or past the third annual general meeting following their appointment, whichever is longer, without being re-elected by shareholders, in accordance with the Company's Constitution.

## **4. COMMITTEES**

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- 4.1 To assist the Board in fulfilling its duties, the Board has established the Audit, Risk and Compliance Committee and the Remuneration and Nomination Committee ("the Committees").
- 4.2 The Board is of the opinion that these committees are sufficient given the size and operations of the Company.
- 4.3 The Charters of Committees are approved by the Board and regularly reviewed.
- 4.4 The Board will ensure that the Committees are sufficiently resourced to enable them to fulfill their roles and discharge their responsibilities.
- 4.5 Members of the Committees are appointed by the Board. The Board may appoint additional directors to Committees or remove and replace members of the Committees by resolution.
- 4.6 The minutes of each Committee meeting will be provided to the Board at the next occasion the Board meets following approval of the minutes.

## **5. ROLE OF THE CHAIRPERSON**

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- 5.1 The Chairperson should be a non-executive director, unless the Board is of the view that the appointment of an executive director as Chairperson is in the best interests of the Company. The roles of Chairperson and Managing Director should not be exercised by the same person.
- 5.2 The Chairperson 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.
- 5.3 The Chairperson should encourage active engagement from all directors and encourage constructive relations between the Board and management, including by liaising regularly with the Managing Director.
- 5.4 The Chairperson should oversee and facilitate evaluation reviews of the Board, the Committees, individual directors and the Managing Director.
- 5.6 Subject to the terms of the constitution, the Chairperson is appointed by the Board from amongst its members and holds office at the discretion of the Board until removed from the Board or until the Chairperson resigns from office or is no longer a Board member.

## **6. ROLE OF INDEPENDENT DIRECTORS**

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It is a priority of the Board to achieve an appropriate balance between independent and non-independent representation on the Board. In making this determination, the Board takes into account the required skills and experience required, in the context of the Company's operations and activities from time to time. In determining whether or not the directors are independent, the Board applies the criteria as set out in the ASX Corporate Governance Principles and Recommendations.

## **7. ROLE OF THE MANAGING DIRECTOR**

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- 7.1 The Managing Director is the head of the executive team and manages the day to day operations of the Company, its people and resources.
- 7.2 The Managing Director implements the strategy approved by the Board and ensures that the Company's structure and processes meet the strategic and cultural needs of the Company.
- 7.3 In carrying out his/her responsibilities the Managing Director must ensure that all material matters affecting the Company are brought to the Boards attention in a timely manner.

## **8. ROLE OF THE COMPANY SECRETARY**

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- 8.1 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 role of the Company Secretary includes:
  - (a) Advising the Board and the Committees on governance matters
  - (b) Ensuring compliance systems relating to the Company's obligations under the applicable law are maintained and that the Company and Board adhere to those compliance systems
  - (c) Monitoring that Board and Committee policy and procedures are followed
  - (d) Coordinating the timely completion and dispatch of Board and Committee papers
  - (e) Ensuring that the business at Board and Committee meetings is accurately captured in the minutes
  - (f) Helping to organise and facilitate the introduction and professional development of directors
  - (g) Ensuring the efficient flow of information between the Board, the Committees, non-executive directors and executive directors
- 8.2 Directors should be able to communicate directly with the Company Secretary and vice versa.
- 8.3 The appointment, removal and remuneration of the Company Secretary is a matter for the Board.

## **9. BOARD MEETINGS**

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- 9.1 The Board will hold meetings at least every two months. The Board may meet more often if it is required to fulfill its objectives. The Company Secretary will be required to give reasonable notice of a meeting.
- 9.2 To assist the smooth running of Board processes:
  - (a) Board papers are to be provided to the Board and invitees, where possible, 2 days prior to the meeting; and
  - (b) Draft minutes of meeting are to be sent to Chairperson and other directors within 14 days after the meeting.
- 9.3 The Chairperson will call a meeting of the Board if so requested by any director.
- 9.4 The Board may review this clause from time to time. This is an indicative cycle only. The actual timing of events in the lead up to and following Board meetings will be dependent upon the circumstances surrounding each individual meeting.

## **10. ROLE OF MANAGEMENT**

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- 10.1 The management team is responsible for implementing the Company's business model, achieving the Company's strategic objectives and instilling and reinforcing the Company's values, while operating within the values, Code of Conduct, budget and risk appetite set by the Board.

10.2 The management team is also responsible for providing the Board with accurate, timely and clear information on the entity's operations to enable the Board to perform its responsibilities (including not just information about the financial performance of the entity, but also its compliance with material legal and regulatory requirements and any material misconduct that is inconsistent with the values or Code of Conduct).

## **11. INDEPENDENT PROFESSIONAL ADVICE**

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The Board collectively and each director has the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities, subject to the prior approval of the Chairperson whose approval will not be unreasonably withheld. If permission is withheld, the matter may be referred to the whole Board.