

RPMGlobal Holdings Limited

ACN 010 672 321

## Board Charter

Adopted by the Board on 11 April 2008

Last reviewed by the Board on 29 August 2018

Last amended by the Board on 27 March 2017



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## 1. Purpose

This document sets out the key responsibilities and roles of the Board of RPMGlobal Holdings Limited ACN 010 672 321 ("the Company").

## 2. Overriding Responsibilities

The Board is committed to:

- a) protecting the interests of shareholders and other stakeholders in the Company (such as employees, business partners, customers and the community as a whole);
- b) promoting and maintaining good corporate governance structures to facilitate the growth of the Company while managing risks and being accountable to stakeholders;
- c) acting efficiently, honestly and fairly;
- d) acting in accordance with all applicable laws and regulations; and
- e) promoting a culture of good corporate governance throughout the entire Company.

## 3. Key Roles

The Board is ultimately responsible for the business and management of the Company. Taking into consideration the Corporate Governance Principles and Recommendations issued by the ASX Corporate Governance Council ("Corporate Governance Principles"), the Board acknowledges that their key responsibilities are:

- a) Overseeing the Company, including its control and accountability systems;
- b) Provide leadership and oversee the business and strategic direction of the Company in order to maximise performance and generate appropriate levels of shareholder return;
- c) Appointment, evaluation and removal of the Chairman, the Managing Director, any other Executive Director, the Company Secretary and where appropriate, senior executives;
- d) Providing input into and final approval of management's development of corporate strategy and performance objectives;
- e) Reviewing the performance and implementation of corporate strategies by senior management and ensuring that senior management have the necessary resources to do so;
- f) Approving and monitoring progress of major capital expenditure, capital management, acquisitions and divestments;
- g) Reviewing, ratifying and monitoring systems of internal controls, accounting and corporate reporting systems including external audit, risk management, codes of conduct and legal compliance;
- h) Approving and monitoring annual budgets and strategic plans.

- i) Approving and monitoring financial and other reporting made to shareholders and the ASX under the continuous disclosure regime and ensure such disclosures are made in a timely and balanced manner.
- j) ensuring that the Company has an appropriate risk management framework in operation and setting the risk appetite within which the Board expects Management to operate;
- k) approving the Company's remuneration framework and/or delegating that approval to an appropriate Committee of the Board to approve; and
- l) monitoring the effectiveness of the Company's governance practices.

#### 4. Delegation

The Board may from time to time establish committees to assist in the discharge of its responsibilities. As at the date of this Charter, the Board has established:

- a) an Audit and Risk Committee, which is responsible for overseeing the external and internal auditing of the Company's activities;
- b) a Remuneration Committee, which is responsible for making recommendations to the Board on remuneration packages for executives, senior Managers and non-Executive Directors; and
- c) a Nominations Committee, which is responsible for making recommendations to the Board on the composition of the Board and appointment and evaluation of the Managing Director.

Notwithstanding the formation of a Nominations Committee, the Board is currently of the view that the entire Board brings the appropriate mix of skills and experience to satisfy the responsibilities under the Committee's Charter. For that reason, the duties of the Nominations Committee are currently being carried out by the entire Board and as such separate meetings of the Nominations Committee are not scheduled as a regular occurrence.

The Board is able to delegate any of the power and authorities exercisable by the Board to one director by virtue of the Company's Constitution. The Board has delegated certain powers and authorities to the CEO as Managing Director, and in turn to designated management personnel of the Company, to implement the strategic direction set by the Board and to manage the Group's day-to-day operations in accordance with a delegation of execution, financial and negotiation authority policy approved by the Board.

#### 5. Board Membership

The Board is committed to ensuring that there will be at least four directors of whom a majority will be non-executive directors and as far as possible, at least 2 will be independent directors. Consistent with the Corporate Governance Principles, a director is regarded as independent if that director is a non-executive director who is not a member of management and who is free of any business or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with in a material respect – independent exercise of their judgement.

When determining the independent status of a director, the Board considers whether 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) within the last three years has been a principal, partner, director or senior employee of a material professional adviser or a material consultant to the Company or another group member;
- c) is, or within the last three years has been, a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- d) is a substantial shareholder of the Company or an officer of, or otherwise associated directly 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 of the Company;
- f) has close family ties with any person who falls within any of the categories described above;  
or
- g) has been a director of the Company for such a period that his or her independence may have been compromised.

The Board is also committed to ensuring that all directors, whether independent or not, bring an independent judgment to bear on Board decisions. To facilitate this, the Board will agree on a procedure for directors to have access in appropriate circumstances to independent professional advice at the Company's expense.

The Board is committed to ensuring that its members have a broad range of skills, experience and expertise. This will assist the Board to maximise performance and ensure appropriate levels of shareholder return.

Non-executive directors should consider the benefits of conferring regularly without management present.

Appropriate checks are undertaken by the Company's Human Resources department before new director appointments are made, including through use of telephone screening, in person interviews, employment history and character reference checks and criminal history checks.

## 6. Chair

The Chair should be an independent director. The role of Chair is a demanding one and requires a significant time commitment, so that the Chair's other commitments should not be so heavy that they hinder effective performance in the role of Chair.

The role of Chair and Chief Executive Officer should not be shared.

## 7. Company Secretary

The Company Secretary reports to the Board through the Chairman and all Directors should have access to the Company Secretary as required.

The Company Secretary's role in respect of matters relating to the proper functioning of the Board includes monitoring and advising the Board and its Committees on governance matters, providing a point of reference and coordination for dealings between the Board and management, monitoring whether Board policy and procedures are being followed, and co-ordination, timely completion and dispatch of Board agenda and briefing materials.

## 8. Review

The Board reviews its performance and Charter annually to ensure that it is operating effectively and in the best interests of the Company. This Policy was last reviewed by the Board on 29 August 2018.