


Mayfield Group Holdings Ltd  
(ACN 010 597 672)

# Board Charter



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## **1 Purpose of this charter**

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The purpose of this charter is to specify how Mayfield Group Holdings Ltd (**Company**) is governed so as to promote the Company and protect the interests of shareholders.

The Board is responsible for the governance of the Company. This charter sets out the role and responsibilities of the Board, which responsibilities are delegated to committees of the Board or to management, as well as the membership and the operation of the Board.

## **2 Role and responsibilities of the Board**

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### **2.1 Role**

On behalf of the shareholders of the Company, the role of the Board is to provide overall strategic guidance and financial management and controls for the Company through effective oversight of management. The Board ensures that the activities of the Company comply with its constitution, from which the Board derives its authority to act, and with legal and regulatory requirements.

To achieve this role, the Board has reserved to itself the following specific responsibilities.

### **2.2 Responsibilities**

The Board is responsible for:

- (a) providing leadership and setting the strategic objectives of the Company;
- (b) appointing the chairperson (and potentially any deputy chairperson);
- (c) appointing and when necessary replacing the chief executive officer (“CEO”);
- (d) approving the appointment and when necessary replacement of other senior executives of the Company;
- (e) overseeing management’s implementation of the Company’s strategic objectives and its performance generally;
- (f) through the chairperson, overseeing the role of the company secretary;
- (g) approving operating budgets and major capital expenditure;
- (h) overseeing the integrity of the Company’s accounting and corporate reporting systems, including the external audit;
- (i) overseeing the Company’s process for making timely and balanced disclosure of all material information concerning it that a reasonable person would expect to have a material effect on the price or value of the Company’s securities;
- (j) 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;

- (k) approving the Company's remuneration framework; and
- (l) monitoring the effectiveness of the Company's governance practices.

### **3 Role and responsibilities of chairperson and company secretary**

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#### **3.1 Chairperson**


The chairperson is an independent and non-executive director appointed by the Board. The chairperson is responsible for:

- (a) leading the Board in reviewing and discussing Board matters;
- (b) chairing Board meetings and shareholder meetings, including, setting the agenda for Board meetings and ensuring that adequate time is available for discussion of all agenda items (in particular, strategic issues);
- (c) ensuring the efficient organisation and conduct of the Board's function;
- (d) briefing all directors in relation to issues arising at Board meetings;
- (e) facilitating effective contribution by all directors and monitoring Board performance;
- (f) overseeing that membership of the Board is skilled and appropriate for the Company's needs;
- (g) promoting constructive and respectful relations between Board members and between the Board and management;
- (h) ensuring that independent directors meet separately on a regular basis to consider, among other things, senior executive performance;
- (i) overseeing the role of the company secretary, including, reviewing corporate governance matters with the company secretary and reporting on those matters to the Board; and
- (j) establishing and overseeing the implementation of policies and systems for Board performance review and renewal.

#### **3.2 Company secretary**

The 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;

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- (d) ensuring that the business at Board and committee meetings is accurately captured in the minutes; and
  - (e) helping to organise and facilitate the induction and professional development of directors and the company secretary.

## **4 Delegations of authority**

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### **4.1 Delegation to committees**

Under the Company's constitution, the Board may delegate responsibility to committees to consider certain issues in further detail and then report back to and advise the Board.

Standing committees established by the Board will adopt charters setting out the authority, responsibilities, membership and operation of the committee. There are currently two standing committees:

- (a) Audit and Risk Committee; and
- (b) Nomination and Remuneration Committee.

The Company may establish other committees from time to time to consider other matters of special importance.

Directors are entitled to attend committee meetings and receive committee papers. Committees will maintain minutes of their meetings and are entitled to obtain professional or other advice in order to effectively carry out their proper functions. The chairperson of each committee will report back on committee meetings to the Board at the next full Board meeting.

### **4.2 Delegation to CEO and management**

The Board has delegated to the CEO the authority to manage the day to day affairs of the Company and the authority to control the affairs of the Company in relation to all matters other than those responsibilities reserved to itself in this charter.

The Board may impose further specific limits on CEO delegations. These delegations of authority will be maintained by the company secretary and will be reviewed by the Board as appropriate from time to time.


The CEO has authority to sub-delegate to the senior management team.

## **5 Membership**

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### **5.1 Composition and size**

The Board will consist of a majority of non-executive, independent directors. The chairperson of the Board will be elected annually by the directors and must be an independent non-executive director.



The directors will determine the size of the Board, subject to the Company's constitution, which provides that there can be no less than three directors. The number of directors and the composition of the Board must at all times be appropriate to the Company to achieve efficient decision making and adequately discharge its responsibilities and duties.

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.

The Company's succession plans are designed to maintain an appropriate balance of skills, experience and expertise on the Board.

## **5.2 Appointment and re-election of directors**

The process of selection and appointment of new directors to the Board is that when a vacancy arises, the Nomination and Remuneration Committee identifies candidates with appropriate skills, experience and expertise. Candidates with the skills, experience and expertise that best complement the Board's effectiveness will be recommended to the Board. When 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, but must stand for election by shareholders at the next annual general meeting.

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 constitution. Retiring directors may be eligible for re-election. Before each annual general meeting, the chairperson of the Board will assess the performance of any director standing for re-election and the Board will determine their recommendation to shareholders on the re-election of the director (in the absence of the director involved). The Board (excluding the chairperson), will conduct the review of the chairperson.


## **5.3 Independence**

All directors - whether independent or not - should bring an independent judgement to bear on all Board decisions.

A director is considered independent by the Company if the director is free of any interest, position, association or relationship that might influence, or be reasonably 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 Company and its security holders generally.

A director who:

- (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 that employment and serving on the Board;

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- (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 any group member;
  - (c) is, or has been within the last three years, in a material business relationship (eg as a supplier or customer) of the Company or other group member, or an officer of or otherwise associated with, someone with such a relationship;
  - (d) is a substantial security holder of the Company or an officer of, or otherwise associated with, a substantial security holder 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,

will not be independent, unless the Board is satisfied on reasonable grounds that the director is independent despite the existence of one or more of these circumstances. In each such case, the materiality of the interest, position, association or relationship needs will be assessed by the Board in order to determine whether it might interfere, or might reasonably be seen to interfere, with the director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders generally.


The Board will regularly assess the independence of each director in light of the interests disclosed by them. That assessment will be made at least annually at, or around the time, that the Board considers candidates for election to the Board. Each independent director must provide the Board with all relevant information for this. The outcome of this assessment will be reflected in the corporate governance section of the annual report.

If the board determines that a director's independent status has changed, that determination will be disclosed to the market in a timely fashion.

#### **5.4 Conduct of individual directors**

Directors must at all times act in accordance with legal and statutory requirements, and discharge all their duties as directors. Directors must:

- (a) discharge their duties in good faith and in the best interests of the Company and for a proper purpose;
- (b) act with care and diligence, demonstrate commercial reasonableness in their decision making and act with the level of skill and care expected of a director of a major company, including applying an independent and enquiring mind to their responsibilities;
- (c) avoid conflicts of interest except in those circumstances permitted by the Corporations Act;

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- (d) not make improper use of information gained through their position as a director;
  - (e) not take improper advantage of their position as a director;
  - (f) notify other directors of a material personal interest when a conflict arises;
  - (g) make reasonable enquiries if relying on information or advice provided by others;
  - (h) undertake any necessary inquiries in respect of delegates;
  - (i) give the Company or ASX Limited all the information required by the Corporations Act; and
  - (j) not permit the Company to engage in insolvent trading.

## **6 Board process**

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### **6.1 Meetings**

All Board meetings will be conducted in accordance with the Company's constitution and the Corporations Act.

Directors are committed to collective decision making, but have a duty to question and raise any issues of concern to them. Matters are to be debated openly and constructively amongst the directors. Individual directors must utilise their particular skills, experience and knowledge when discussing matters at Board meetings.

Directors must keep Board discussions and resolutions confidential, except where they are required to be disclosed.

All directors are generally expected to prepare adequately, attend and participate at each Board meeting. All directors should actively consider the sufficiency of the contents of the board papers that they have been provided for consideration. The Board should assess the information that it receives and the timing of its distribution to ensure the Board has sufficient time to examine the material provided to it for approval.

Non-executive directors will periodically meet without executive directors or management present.


The Board may request or invite management or external consultants to attend Board meetings, where necessary or desirable.

The Board may conduct meetings by telephone or video conference.

### **6.2 Independent professional advice**

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.





### 6.3 Access to management

The directors have complete and open access to management following consultation with the chairperson and CEO.

## 7 Review and publication of charter

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

The charter is available on the Company's website. Key features are published in:

- (a) either the annual report or on the Company's website; and
- (b) in the Appendix 4G to be lodged with the ASX at the same time as lodgement of the annual report.