

# Board Charter

The Board is responsible for the corporate governance of Prequin Securities Pty Limited (the 'Company') and undertakes its responsibilities under this Charter with the objective of maximising Company and Group performance and creating long-term shareholder value within a framework of prudent risk management, sound corporate governance practices and due regard for the interests of other stakeholders.

## Key responsibilities of the Board

In addition to matters it is expressly required by law to approve, the Board has the following key responsibilities:

- 1.1 appointing, evaluating, rewarding and removing the Managing Director (referred to in this Charter as the Chief Executive Officer), including approving terms of appointment and remuneration and conducting a formal review of performance at least annually;
- 1.2 appointing and removing the Company Secretary and ratifying the appointment and removal of the Chief Financial Officer;
- 1.3 ratifying other senior management appointments and senior management remuneration policies and practices;
- 1.4 developing a succession plan for the Chairperson of the Board and the Chief Executive Officer and approving succession plans and initiatives for the training, evaluation and retention of senior management;
- 1.5 reviewing and monitoring the size and composition of the Board and the performance of the Board, Board committees and individual Directors;
- 1.6 reviewing and approving the Company's strategic direction, ensuring appropriate resources are available to meet objectives and monitoring management's performance and implementation of strategy;
- 1.7 determining acceptable levels of risk and approving the Company's risk management strategy and risk management framework;
- 1.8 reviewing the implementation, operation and continued development of systems of risk management, internal compliance and control and legal compliance and monitoring the adequacy and effectiveness of those systems;
- 1.9 approving, and monitoring performance against, business plans and budgets;
- 1.10 determining dividend policy and the amount, nature and timing of dividends to be paid;
- 1.11 promoting ethical and responsible decision making and ensuring a high standard of corporate governance practice and regulatory compliance, including through the adoption and implementation of corporate governance policies and monitoring compliance with those policies.

## 2. Composition of the Board

- 2.1 The Board is to be comprised of 2 executive directors and 1 non-executive Director.
- 2.5 In appointing new Directors to the Board, consideration is given to the ability of the appointee to contribute to the ongoing effectiveness of the Board, to exercise sound business judgment, to commit the necessary time to fulfil the requirements of the role effectively and to contribute to the development of the Company.

## 3. The Chairperson

- 3.1 The Board shall appoint the Chairperson of the Board.
- 3.2 The Chairperson is responsible for leadership of the Board, the efficient conduct of the Board's function, monitoring the Board's performance and ensuring it is effective, setting the agenda of the Board, conducting Board meetings and chairing general meetings of shareholders.
- 3.2 The Chairperson shall facilitate the effective contribution of all Directors and promote constructive and respectful relations between Board members and management.
- 3.4 In the event that the Chairperson is absent from a meeting of the Board then the Board shall appoint a Chairperson for that meeting.
- 3.5 The Board will develop and periodically review a plan for succession of the Chairperson.

## 4. Board Committees

- 4.1 To assist the Board in fulfilling its duties, the Board has established the following Committees:
  - Audit & Risk Committee – assists the Board in fulfilling its responsibilities relating to the quality and integrity of the Company's financial statements and accounting and financial reporting practices, the adequacy and effectiveness of internal control processes, and relationships with the Company's internal and external auditors
  - Corporate Risk Committee – assists the Board in overseeing the management of risks and monitoring the adequacy and effectiveness of the Group's risk management system and procedures and related assurance processes

The Committees have no executive power or management function. The role of each Committee is to make recommendations to the Board and, except as specified to the contrary in a Committee's charter, it has no power to approve matters within the scope of the Board's authority.

- 4.2 The responsibilities of each Committee are set out in its charter. The charter of each Committee is approved by the Board and reviewed annually.

- 4.3 From time to time the Board may also establish special purpose Committees to examine, or have the delegated authority to deal with, specific issues on behalf of the Board.
- 4.4 The Board will ensure that the Committees have sufficient resources to enable them to fulfil their roles and discharge their responsibilities.
- 4.5 The Chairperson and members of Committees are appointed by the Board. The Board may appoint additional members to Committees or remove and replace members of Committees by resolution.
- 4.6 The Chairperson of a Committee will report to the Board on matters relevant to the Committee's role and responsibilities at the next Board meeting which follows a meeting of that Committee.
- 4.7 Once prepared, copies of the minutes of each Committee meeting will be included in the papers of the next scheduled meeting of the Board which follows that Committee meeting. If minutes have not yet been formally approved, draft minutes will be included in the meeting papers with the approval of the Chairperson of the Committee.

## 5. Board Meetings

- 5.1 The Board will meet in accordance with the Constitution of the Company.
- 5.2 There must be two Directors present at a meeting to constitute a quorum.
- 5.3 The Board will meet at least six times per year in accordance with the schedule agreed prior to the commencement of the year and will hold additional meetings, including by telephone, as may be required. Any Director may call a meeting of the Board.
- 5.4 The agenda for each Board meeting will be prepared in consultation with the Chairperson. Any Director may request that an item be added to the agenda, provided the Chairperson has been given prior notice of that business.
- 5.5 The Company Secretary shall distribute supporting papers for each meeting of the Board as far in advance as practicable.
- 5.6 The minutes of each Board meeting shall be prepared by the Company Secretary, approved by the Chairperson and circulated to Directors after each meeting.
- 5.7 Minutes of meetings must be approved at the next Board meeting.

## 6. Directors

6.1 Directors are expected to:

- 6.1.1 attend and participate in meetings of the Board and of the Committees on which they serve;
- 6.1.2 spend the time necessary, including meeting as required, to properly discharge their responsibilities as Directors; and
- 6.1.3 exercise independent judgement in making decisions.
- 6.1.2 each Director must comply with their legal, statutory and equitable duties and obligations when discharging their responsibilities as a Director.
- 6.1.3 Directors must take reasonable action to resolve or avoid, where possible, any actual or potential conflict of interest and must disclose to the Board any such conflict of interest that might reasonably be thought to exist as soon as the situation arises.

## 7. Access to information and advice

- 7.1 All Directors have unrestricted access to the books and records of the Company or any company within the Group to enable them to discharge their duties as Directors.
- 7.2 All Directors may make enquiries of management and employees as required to enable them to discharge their duties as Directors. Directors may also make enquiries of the Company's external auditor and any external adviser of the Company or any company within the Group, provided the Chairperson of the Board (or, for enquiries of the external auditor, the Chairperson of the Audit Committee) is informed of those enquiries.
- 7.3 The Board, its Committees or individual Directors may seek independent external professional advice at the expense of the Company to assist them in carrying out their duties and responsibilities, subject to prior consultation, in the case of:
  - the Board – with the Chairperson;
  - an individual Director – with the Chairperson or relevant Committee Chairperson, as the case may be;
  - Committee – with the Committee Chairperson.
- 7.4 External advice received by an individual Director will be made available to all Directors.

## 8. The Board's relationship with management

- 8.1 The Board shall delegate responsibility for the day-to-day operations and administration of the Company to the Managing Director, within the policies and delegation limits specified by the Board from time to time. The Managing Director may further delegate responsibility within those policies and delegation limits to senior executives within the Group, but remains accountable to the Board for all authority delegated to those senior executives.
- 8.2 In addition to formal reporting structures, Directors are entitled to have direct communications with management and other employees within the Group to facilitate the carrying out of their duties as Directors.

## 9. Performance Review

The Board will conduct an annual performance evaluation and review of the Board and each of its Committees. The performance of individual Directors will be subject to annual peer review.

## 10. Disclosure Policy

The Board shall ensure that the Company has in place effective external disclosure policies and procedures so that the relevant stakeholders are fully informed to the extent required by the applicable disclosure rules and legislation.

## 11. Access to this Board Charter

The Board will review this Charter annually. The Charter is available for viewing on the Company's website or is otherwise available on request.

**Adopted by the Board:**