



# ELDERS LIMITED

## BOARD CHARTER



### DOCUMENT CONTROLS

Distribution	Board
File Name	Board Charter
Board Approved Date	22 September 2023
Business Owner	Corporate Governance
Review Frequency	Once every two years
First Adopted	31 August 2004

## Objectives

The Board, as the representative of the Company's shareholders, is responsible for the overall governance of the Company.

The Board's objectives are to govern in a way that:

- promotes, encourages and champions a positive safety culture and aims for an injury free workplace;
- encourages the observance of the Company's values;
- provides clear accountability;
- protects the rights and interests of shareholders and other stakeholders;
- provides for proper management of the company's assets;
- supports the achievement of the company's fiduciary, environmental, health, safety, social and other obligations;
- preserves and enhances the Company's reputation and standing in the community; and
- supports the achievement of shareholder value within a framework of appropriate risk assessment and management.

## Responsibilities

The Board's main responsibilities are:

### *Leadership*

- demonstrate leadership;
- appoint the Chair of the Board;
- appoint and remove Senior Executives, including the Chief Executive Officer;
- plan for Board, Chief Executive Officer and Senior Executive succession;

### *Strategy*

- formulate collaboratively with management the Company's strategic direction and approve the strategic plan developed by management;
- oversee management's implementation of strategy and performance of the Company generally;

### *Governance*

- monitor the effectiveness of the Company's governance framework;

- satisfy itself that an appropriate framework exists for relevant information to be reported by management to the Board;

#### *Culture and Conduct*

- approve the statement of values and code of conduct to underpin desired company culture;
- consider the social, ethical and environmental impact of the Company's activities and operations and oversee the effectiveness of the Company's sustainability strategy and practices;
- set measurable objectives for diversity of the Company's Board and workforce;
- oversee the Company's employee-relations;

#### *Risk Management*

- oversee the audit, compliance and resilience (including risk management) policies, frameworks and functions of the Company and satisfy itself that they are appropriate;
- set the risk appetite within which it expects management to operate;
- appoint or remove the Head of Internal Audit;
- adopt recommendations of the Internal Auditor;

#### *Financial Oversight and Reporting*

- approve and oversee financial and other reporting, including the half year and full year financial statements, sustainability and governance reporting;
- confirm the appointment of the External Auditor and make recommendations to shareholders for the appointment or removal where necessary;
- adopt accounting policy changes;
- consider and make dividend determinations;
- approve the annual operating budget of the Company and monitor performance against that budget;
- approve and monitor the progress of all material acquisitions, divestments, contracts and capital expenditure;
- approve capital raisings (debt or equity), capital reductions, buy-backs and other material corporate actions by the Company;

#### *Shareholder Relations*

- oversee communication to the Company's shareholders and the investment community and monitor shareholder-relations generally;
- oversee the Company's process for making timely and balanced disclosure of all material information;

### *Remuneration*

- satisfy itself that remuneration policies are aligned with the Company's purpose, values, strategic objectives and risk appetite;
- determine remuneration of Non-Executive Directors, within the limits approved by shareholders;
- determine the remuneration and other benefits of the Chief Executive Officer;
- upon recommendation from the Chief Executive Officer, approve the remuneration and other benefits for Senior Executives;

### *Performance*

- review the performance of the Board as a whole, Board Committees and individual Directors;
- monitor and assess the performance of the Chief Executive Officer and the Company's executive team and, whenever required, challenge management and hold it to account; and
- comply with the legal requirements of being a Director.

### **Constitution**

The Board is constituted by the Company's Constitution, under which it is vested with the power to manage the Company.

The Constitution shall govern the regulation of meetings and proceedings of the Board.

The Board may delegate certain of its powers to the Chief Executive Officer, Board committees, subsidiary boards and other persons (see "Delegation to Management" section below). Notwithstanding any such delegations, the Board retains ultimate responsibility for management of the Company.

### **Composition**

The Board shall have at least 3, but no more than 8, members.

The Board shall be comprised of a majority of independent Directors. In determining whether or not a Director is to be considered independent, the Board will have regard to the Director Independence Policy.

A Director must disclose material personal interest and any matter that does, or has the potential to, give rise to a conflict of interest or a conflict of duty as soon as the matter arises, in accordance with the Conflict of Interest and Conflict of Duty Policy.

The Board shall select and recommend candidates for election to the Board to shareholders, following consideration of recommendations made by the Nomination and Prudential Committee.

The Board shall be comprised of Directors:

- who are financially literate;
- at least 1 of whom has formal accounting qualifications; and
- who, together, have an appropriate mix and depth of skills, experience and knowledge in order to meet the Board's responsibilities and objectives.

Upon appointment, new Directors shall be given a detailed briefing by the Chair and/or his nominee(s) on key Board issues and be provided with appropriate background documentation. These issues shall include:

- the Company's financial, strategic, operational and risk management position;
- Directors' rights, duties and responsibilities; and
- the role of the Board and the Board committees.

Formal letters of appointment of each Director shall set out their responsibilities and key terms of engagement.

### **Term**

All Directors (except the Managing Director) shall submit themselves for re-election in accordance with the Constitution, at least at every third AGM.

Before a Director is recommended for re-election, the Chair, either directly or via the Nomination and Prudential Committee, shall consult with the other Directors regarding the Director's effectiveness. Based upon the outcome of these consultations, the Board shall then determine whether or not to recommend the Director for re-election.

### **Chair**

The Board shall appoint the Chair of the Board. The Chair must be an independent Director.

The Chair is responsible for:

- leadership of the Board;
- efficient organisation and conduct of the Board's function;
- approving Board agendas, ensuring that all relevant issues are on the agenda and that adequate time is allowed for discussion of all items;
- briefing of all Directors on key issues;
- facilitating the effective contribution of all Directors;
- guiding Board deliberations, free of bias;
- promoting constructive and respectful relations between Directors and between the Board and management; and

- publicly representing the Board's views to stakeholders.

## **Meetings**

The Board must meet as frequently as required to effectively discharge its responsibilities. An annual meeting schedule will be agreed prior to the commencement of each financial year and additional meetings may be called on a needs basis.

Any Director can request a Board meeting through the Chair or Company Secretary.

The Non-Executive Directors will also meet on their own, from time to time, to review the performance of management generally and discuss governance issues on a needs basis.

## **Agendas**

The Chair will review, with the Chief Executive Officer, the agenda for each meeting prior to its issue to the Board.

Any Director may require business to be included on the agenda. The Director will first consult with the Chair with respect to that business.

The Board shall maintain and observe a rolling 12 month agenda to ensure that key governance issues and the Company's operations are reviewed on a regular, ongoing basis.

## **Attendance**

The Chief Financial Officer has a standing invitation to Board meetings. Other Company Executives, External Auditors, Internal Auditors and other advisers, as the Chair thinks fit, may be invited to attend meetings.

No Executive Director may be present at a Board meeting during deliberations concerning their position unless otherwise agreed by the Board.

## **Secretary**

The Company Secretary(s) is (are) appointed by the Board, will act as Secretary of the Board and must attend all meetings of the Board, except when requested by the Board to absent himself or herself.

The Company Secretary is accountable to (and reports directly to) the Board (through the Chair if appropriate) on all matters to do with the proper functioning of the Board.

All Directors have direct access to the Company Secretary(s) and vice versa.

The role of the Company Secretary includes:

- advising the Board, its Committees and individual Directors on governance matters;
- monitoring and ensuring that Board policy and procedures are followed;

- co-ordinating preparation and finalisation of Board and Committee agendas and briefing materials;
- ensuring that the business at Board and Committee meetings is accurately captured in the minutes; and
- helping to organise and facilitate the induction and professional development of Directors.

## **Minutes**

Minutes of meetings of the Board must be prepared by the Company Secretary, reviewed by the Chief Executive Officer, and provided to the Chair in draft ideally within five business days of the relevant meeting. The minutes will be circulated to the Directors and approved within one month of the date of the meeting.

Minutes of meetings of the Board must be ratified at the next Board meeting and then signed by the Chair.

## **Access to Information**

Directors have access to the Company's management and Company information, through the Chief Executive Officer, to assist them in carrying out their duties as Directors.

Any Director has direct access to and may seek information directly from the Company's External and Internal Auditors, provided that all such approaches are first advised to the Chair and the Chief Executive Officer (other than approaches made by the Chair of the Audit, Risk and Compliance Committee who may liaise with the Company's External and Internal Auditors at any time).

A Director may obtain independent, professional advice relevant to the Company's affairs to assist him or her to carry out his or her duties as a Director, at the Company's expense, subject to prior approval of the Chair.

## **Board Committees**

The Board has the following committees, which may be added to or changed from time to time:

- Audit, Risk and Compliance Committee;
- Remuneration, People and Culture Committee;
- Nomination and Prudential Committee; and
- Safety and Sustainability Committee

Each of the above committees must have a formal charter approved by the Board, setting out its authority, composition, and responsibilities.

Other than the Nomination and Prudential Committee (which includes the Managing Director and CEO), a member of a committee must be a Non-Executive Director and a majority of the Committee must be comprised of independent Directors.

The Board may establish other ad hoc special purpose committees from time to time, with terms of reference approved by the Board.

### **Delegation to Management**

The Board shall delegate responsibility for the day-to-day management of the Company to the Chief Executive Officer. The Chief Executive Officer may delegate various functions to other employees and subsidiary company boards. The authority of the Chief Executive Officer and other employees shall be detailed by formal delegation of authority.

Formal letters of appointment of the Chief Executive Officer and the Chief Financial Officer shall set out their respective responsibilities and key terms of engagement.

Senior Executives shall be responsible for implementing the Company's strategic objectives and instilling and reinforcing its values, ensuring operation within the values, code of conduct, budget and risk appetite set by the Board.

In addition, the senior Executives are responsible for providing the Board with accurate and timely information on the Company's operations to enable the Board to perform its responsibilities. This includes information on financial performance, compliance with material legal and regulatory requirements and conduct that is materially inconsistent with Elders' values or code of conduct.

The Board shall regularly review the division of functions between the Board and management to ensure it continues to be appropriate to the needs of the Company.

### **Chief Executive Officer/Chief Financial Officer: Certificate**

The Board requires that, prior to approving the financial reports of the Company for a financial period, it receives from the Chief Executive Officer and the Chief Financial Officer a declaration in relation to the Company's full year financial statements in accordance with (or, for interim financial reports, consistent with) section 295A of the Corporations Act and the ASX Corporate Governance Council's Principles and Recommendation, confirming that:

- the Company's financial records have been properly maintained, the financial statements comply with accounting standards, and the financial statements and notes give a true and fair view; and
- the declaration provided in accordance with section 295A is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risk.

### **Review of Management**

The Non-Executive Directors will conduct a formal review of the performance of the Chief Executive Officer and Company Secretary(s) on an annual basis. They may seek the advice of the Remuneration and Human Resources Committee.

### **Board Standards and Policies**

The Board may establish, and amend as appropriate, policies and practices to ensure that the Board fulfils its functions and remains an effective oversight and decision-making body.



## Prudential Issues

The Board shall review and ratify, at least every two years, the prudential criteria approved by the Nomination and Prudential Committee. The prudential criteria are relevant to the determination of whether or not individuals are “fit and proper” persons to act as Directors of the Company having regard to relevant regulatory authorities from time to time.

## Board Performance Review

The Board shall assess its performance, the performance of its committees and individual Directors annually.

## Reporting and Communication

The Board shall report to shareholders and other legitimate stakeholders by:

- periodic reporting in accordance with the ASX Listing Rules and Corporations Act;
- continuous disclosure and communications with the market in accordance with the *Corporations Act*, ASX Listing Rules and Company’s External Disclosure and Market Communications Policy;
- posting announcements and other information on its website;
- holding its annual general meeting and, on occasions, other general meetings in accordance with the ASX Corporate Governance Council guidelines for communication with shareholders and for improving shareholder participation at general meetings;
- web-casting its general meetings and results presentations (by audio or audio-visual means as circumstances dictate); and
- continually considering how to use new technologies to enable more effective communications with stakeholders and improved access for shareholders unable to be physically present at general meetings.

## Review

This Charter shall be reviewed by the Board once every two years.