

# **Australian United Investment Company Limited**

## **Board Charter**

This Charter sets out the powers, duties and responsibilities of the Board as prescribed by the Corporations Act, the Constitution of Australian United Investment Company Limited (the Company) and all other applicable legislation and regulation.

### **1. Role**

The Board is responsible for overseeing the performance and operations of the Company in a manner designed to create and build sustainable value for shareholders and in accordance with the duties and obligations imposed on it by the law and the Company's Constitution.

### **2. Board and Management Responsibilities**

The responsibilities of the Board include:

- Setting strategic and financial objectives;
- Monitoring the Company's performance and financial position and overseeing the financial accounts and reporting;
- Identifying and monitoring business and compliance risks;
- Managing the Company's investment portfolio;
- Overseeing relationships with outside service providers;
- Appointing the Company Secretary and setting and overseeing responsibilities delegated to the Company Secretary;
- Managing the Company's exposure to Environmental, Societal and Governance (ESG) matters; and
- Setting ethical standards for the Company.

The Company's Key Management Person is the Company Secretary. The following responsibilities are delegated by the Board to the Company Secretary:

- Day-to-day management of the Company, including:
  - financial reporting,
  - cash management and investment operations,
  - overseeing the execution of investment transactions,
  - information technology,
  - human resources,
  - relationship management with shareholders, suppliers, bankers and external stakeholders,
- Reporting to the Board on the performance of the Company,
- Consulting the Board regarding organisational matters.

### **3. Composition of the Board**

The Board shall comprise 3 to 6 Directors as provided by the Company's Constitution. There is no set retirement age or term for Directors.

After prior discussion with the Chairman, Directors are entitled to seek independent advice at the expense of the Company and such advice will then be made available to all other Directors.

#### **4. Chairman of the Board**

The Chairman of the Board is responsible for the business of the Board, taking into account the issues and the concerns of all Directors and the requirements of this Charter.

The Chairman is also responsible for the leadership and conduct of the Board and to ensure that Company meetings are carried out in accordance with the agreed agenda, the Company's objectives, policies and Code of Conduct.

The Chairman shall encourage active engagement by Directors and an open and constructive relationship between the Board, the Company Secretary and staff. The Chairman has the authority to act and speak for the Board between meetings, subject to any agreed consultation processes.

#### **5. Board Meetings**

In accordance with the Company's Constitution, a quorum for a Board meeting shall be any three Directors. The Board shall meet as frequently as considered necessary for Directors to effectively execute their duties, typically with eleven scheduled monthly meetings per year.

Board papers, which include reports on the investment portfolio and on operational and financial performance, are circulated in advance of meetings.

Draft minutes of each Board meeting are prepared by the Company Secretary and forwarded to the Board as soon as practicable after the meeting. Directors should advise their approval or any requested amendments to the draft minutes to the Company Secretary. The minutes are presented at the next Board meeting and signed by the Chairman within a reasonable time after the meeting.

#### **6. Board Committees**

Pursuant to its powers under the Company's Constitution, the Board may establish Board Committees to which it may delegate certain of its powers. The Board will appoint the members of each committee, and the Chairman of each committee. Such Board Committees operate under specific charters approved by the Board which are available on the Company's website.

The Board has established the following Board Committees to assist in carrying out its duties:

- Audit and Risk Management Committee
- Nomination and Remuneration Committee

The Board may establish other committees from time to time as required.

#### **7. Conflict of Interest**

Directors must inform the Board of any matters or interests that could conflict with those of the Company. Directors must advise the Company Secretary of all directorships held in other companies.

If any conflict of interest arises, the conflicted Director must advise the Chairman or the Company Secretary (who will advise the Chairman or, if the Chairman is the conflicted person, the Lead Independent Director). Conflicted Directors are required to refrain from involvement in Board decisions, or leave the room, during discussion of a conflicted matter. Any conflict must be recorded in the minutes of meeting.

## **8. Lead Independent Director**

If the Chair is not an independent Director, the Board will appoint one of the independent Directors to be the Lead Independent Director to enhance the independent functioning of the Board.

Responsibilities of the Lead Independent Director include:

- ensuring that any conflicts of interest (potential or otherwise) between the Company's major shareholder and the Company are identified and appropriately managed,
- to promote awareness of the importance of independent judgements in the Board's decision making,
- to provide leadership to the other independent directors and support them in presenting diverse perspectives on issues being considered by the Board, and
- to preside over meetings of the Board and meetings of shareholders when discussing matters where the Chairman is an interested party.

## **9. Review**

The Board is responsible for establishing procedures for an annual evaluation of the Board as a whole, its Committees and individual Directors.

The Board shall review this Charter annually to ensure that it allows for effective operation.