

**FLEXIROAM LIMITED**  
**(“COMPANY”)**  
**(ACN 143 777 397)**  
**BOARD CHARTER**

**1. Purpose**

- 1.1 The Board Charter sets out the role and responsibilities of the Board of the Company, within the framework of the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations, Second Edition (“ASX Recommendations”), laws and regulation and the Constitution of the Company.
- 1.2 The Board’s primary role is the protection and enhancement of long-term shareholder value. To fulfil this role, the Board is responsible for oversight of the management and the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

**2. Composition**

- 2.1 The composition of the Board is determined using the following principles:
- (a) a minimum of three Directors, with a broad range of business expertise; and
  - (b) Directors should bring characteristics which allow a mix of qualifications, skills and experience.
- 2.2 Membership of the Board shall be disclosed in the annual report including whether a director is independent or not independent. Loss or gain of independence will be disclosed as applicable.
- 2.3 In determining whether a director is independent the Board will consider whether the director:
- (a) is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
  - (b) is employed, or has previously been employed in 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;
  - (c) has within the last three years been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided;
  - (d) is a material supplier or customer of the Company or another group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; and

- (e) has a material contractual relationship with the Company or other group member other than as a Director of the Company.

### **3. Roles of the Board**

3.1 The Board operates within the broad principles and responsibilities described as follows:

- (a) setting the strategic aims of the Company and overseeing management's performance within that framework;
- (b) making sure that the necessary resources (financial and human) are available to the Company and its senior executives to meet its objectives;
- (c) overseeing management's performance and the progress and development of the Company's strategic plan;
- (d) selecting and appointing suitable Executive Directors with the appropriate skills to help the Company in the pursuit of its objectives;
- (e) determining the remuneration policy for the Board members, Company Secretary and Senior Management;
- (f) controlling and approving financial reporting, capital structures and material contracts;
- (g) ensuring that a sound system risk management and internal controls are in place;
- (h) setting the Company's values and standards;
- (i) undertaking a formal and rigorous review of the Corporate Governance policies to ensure adherence to the ASX Recommendations;
- (j) ensuring that the Company's obligations to shareholders are understood and met;
- (k) ensuring the health, safety and well-being of employees in conjunction with the senior management team, including developing, overseeing and reviewing the effectiveness of the Company's occupational health and safety systems to assure the well-being of all employees;
- (l) ensuring an adequate system is in place for the proper delegation of duties for the effective operative day to day running of the Company without the Board losing sight of the direction that the Company is taking; and
- (m) any other matter considered desirable and in the interest of the Company.

### **4. Roles of the Chairman and Executive Director**

4.1 In accordance with the ASX Recommendations, the Company is aware of the importance of a balanced Board. Accordingly, the Chairman is responsible for the following:

- (a) providing the necessary direction required for an effective Board;
- (b) ensuring that all the Directors receive timely and accurate information so that they can make informed decisions on matters of the Company;
- (c) ensuring that the Board collectively and individual Directors' performance is assessed annually; and
- (d) encouraging active engagement from all members of the Board.

4.2 The Executive Director is responsible for:

- (a) the executive management of the Company's operations;
- (b) policy direction of the operations of the Company;
- (c) the efficient and effective operation of the Company; and
- (d) ensuring all material matters affecting the Company are brought to the Board's attention.

## **5. Company Secretary**

5.1 The Company Secretary is responsible for the application of best practice in corporate governance and also supports the effectiveness of the Board by:

- (a) ensuring a good flow of information between the Board, its committees, non-executive Directors and executive Directors;
- (b) monitoring policies and procedures of the Board;
- (c) advising the Board through the Chairman of corporate governance policies;
- (d) providing support and advice to individual Directors, various board committees, senior executives and the Board in general;
- (e) conducting and reporting matters of the Board, including the despatch of Board agendas, briefing papers and minutes;
- (f) ensuring that compliance systems relating ASX Listing Rules and the Corporations Act are maintained and that the Company and Board adhere to such compliance systems; and
- (g) disseminating regulatory news announcements to the ASX.

5.2 The appointment, removal and remuneration of the Company Secretary is a matter of the Board.

## **6. Board Meetings**

6.1 The Board will meet approximately 8 times a year but no less than 6 times per year. The Board may meet as often as required to fulfil their responsibilities.

- 6.2 To assist the smooth running of Board processes:
- (a) Board Papers are to be provided to the Board and invitees, where possible, 3 days prior to the meeting; and
  - (b) draft minutes of meeting are to be sent to Chairman and other Directors within 14 days following the meeting.
- 6.3 The Board may review this clause from time to time. This is an indicative cycle only. The actual timing of events in the lead up to and follow up from Board meetings will be dependent upon the circumstances surrounding each individual meeting.

## **7. Board Committees**

- 7.1 The Board from time to time establishes committees to assist in carrying out its responsibilities and adopts charters setting out matters relevant to the composition, responsibilities and administration of such committees, and other matters that the Board may consider appropriate.
- 7.2 The Board has decided that due size, composition and structure of the Board, there is no current requirement for the formation of any committees outside the Board forum.
- 7.3 As such, the roles of an Audit, Remuneration and Nomination Committee will be performed by the Board, as and when necessary. The requirements for these committees will be reviewed annually based on the size, composition and structure of the Board and management.
- 7.4 Where the Company is carrying out matters associated with public capital raisings, the Board will appoint a due diligence committee to oversee the process and the issue of any disclosure documents.

## **8. Induction and Education**

- 8.1 It is the policy of the Company, that new Directors undergo an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, tours of the premises, an induction package and presentations. Information conveyed to new Directors includes:
- (a) details of the roles and responsibilities of a Director;
  - (b) formal policies on Director appointment as well as conduct and contribution expectations;
  - (c) access to a copy of the Corporate Governance Manual;
  - (d) guidelines on how the Board processes function;
  - (e) details of past, recent and likely future developments relating to the Board;
  - (f) background information on and contact information for key people in the organisation;

- (g) an analysis of the Company;
- (h) a synopsis of the current strategic direction of the Company; and
- (i) a copy of the Constitution of the Company.

8.2 New Directors are also provided with letters of appointment to the Board, setting out the key terms and conditions relative to the appointment.

8.3 In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. Specifically, Directors are provided with the resources and training to address skills gaps where they are identified.

## **9. Performance Assessment**

9.1 The Company undertakes an annual performance as it is dedicated:

- (a) to examine the impact of the effectiveness of its Directors, Board, and Board Committees; and
- (b) to review and improve on the quality and performance of the entire Board and committee structure.

9.2 The evaluation process is focused on objective and tangible criteria such as:

- (a) performance of the Company;
- (b) accomplishment of long term strategic objectives;
- (c) development of management; and
- (d) growth in shareholder value.

9.3 The performance evaluation is conducted in such manner as the Board deems appropriate.

## **10. Independent Professional Advice**

10.1 The Board collectively and each Director has the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities, subject to the prior approval of the Chairman whose approval will not be unreasonably withheld. If permission is withheld, the matter may be referred to the whole Board.

## **11. Information Seeking Protocol**

11.1 Directors will adhere to the following protocol when seeking information:

- (a) approach the Executive Director to request the required data;
- (b) if the data is not forthcoming, approach the Chairman;

- (c) if the information is still not forthcoming, write a letter to all Board members and the Executive Director detailing the information that is required, purpose of the information, and who the Director intends to approach in order to obtain the information; and
- (d) as a last resort, employ the provisions of the Corporations Act.