

# **Raiz Invest Limited**

## **Board Charter**

**Raiz Invest Limited ACN 615 510 177  
("Company")**

**Date 1 February 2022**

# 1 Purpose and Authority

- 1.1 The purpose of this charter is to specify how Raiz Invest Limited (“**Company**”) is governed so as to promote the Company and protect the interests of shareholders.
- 1.2 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

## Role

- 2.1 The role of the Board is to provide leadership, strategic guidance and oversight of management of the Company. The Board derives its authority to act from the Company’s constitution. The Board must pursue the objective that the Company activities comply with the Company’s constitution and with legal and regulatory requirements.
- 2.2 The Board has reserved to itself the following specific responsibilities.

## Responsibilities

- 2.3 The Board is responsible for:
  - (a) providing leadership, defining the Company’s purpose and setting the strategic objectives of the Company;
  - (b) approving the Company’s statement of values and Code of Conduct to underpin the desired culture within the Company;
  - (c) appointing and when necessary replacing the chairperson (and potentially any deputy chairperson);
  - (d) appointing and when necessary replacing the chief executive officer and managing director (or equivalent) (“**CEO**”);
  - (e) approving the appointment and when necessary replacement of the company secretary and other senior executives of the Company;
  - (f) overseeing management’s implementation of the Company’s strategic objectives, instilling the Company’s values and performance generally;
  - (g) through the chairperson, overseeing the role of the company secretary;
  - (h) approving operating budgets and major capital expenditure;
  - (i) overseeing the integrity of the Company’s accounting and corporate reporting systems, including the external audit;
  - (j) 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;
  - (k) ensuring that the Company has in place an appropriate risk management framework (for both financial and non-financial risks) and setting the risk appetite within which the Board expects management to operate;
  - (l) ensuring that an appropriate framework exists for relevant information to be reported by management to the Board;

- (m) bringing an independent analysis by each director to information and assumptions provided by management, and where necessary questioning such matters and holding management to account in a constructive way;
- (n) approving the Company's remuneration framework and ensuring that the Company's remuneration policies are aligned with the Company's purpose, values, strategic objectives and risk appetite;
- (o) monitoring the effectiveness of the Company's governance practices;
- (p) undertaking a periodic performance evaluation of each Board committee that compares the performance of the Board committee with the requirements of the relevant committee charter, setting forth the goals and objectives of the committee for the upcoming year and effecting any amendments to the relevant committee charter considered necessary or desirable;
- (q) establishing and monitoring executive succession planning;
- (r) approving and monitoring material internal and external financial and other reporting including, financial reports, profit forecasts and other reports required at law or under the ASX Listing Rules to be adopted by the Board;
- (s) ensuring that the Company maintains a commitment to promoting diversity in the workplace;
- (t) ensuring ethical behaviour and compliance with the Company's own governing documents, including the Code of Conduct and statement of values; and
- (u) performing such other functions as are prescribed by law or nominated by the Board from time to time.

### **3 Role and Responsibilities of Chairperson and Company Secretary**

#### **Chairperson**

- 3.1 The chairperson is an independent 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 seeking to ensure 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;
  - (f) monitoring Board performance;
  - (g) overseeing that membership of the Board is skilled and appropriate for the Company's needs;
  - (h) promoting constructive and respectful relations between Board members and between the Board and management;
  - (i) seeking to encourage that independent directors meet separately on a regular basis to consider, among other things, senior executive performance;

- (j) 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
- (k) establishing and overseeing the implementation of policies and systems for Board performance review and renewal.

#### **Company Secretary**

- 3.2 The company secretary acts as secretary of the Board, attending meetings of the Board and its committees 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. In addition to its responsibilities under the *Corporations Act 2001* (Cth) (**Corporations Act**), the Company's constitution, and matters specifically delegated, the company secretary acts as chief administrative officer and as a point of contact between the Board and management. The company secretary's responsibilities include:
- (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 dispatch of Board and committee papers;
  - (d) ensuring that the business at Board and committee meetings is accurately captured in the minutes;
  - (e) helping to organise and facilitate the induction and professional development of directors.

## **4 Delegations of Authority**

#### **Delegation to Committees**

- 4.1 Under the Company's constitution, but subject to matters which cannot legally be delegated by the Board, the Board may delegate responsibility to committees to consider certain issues in further detail and then report back to and advise the Board.
- 4.2 In respect of each standing committee established by the Board, 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.
- 4.3 The Board may establish other committees from time to time to consider other matters of special importance.
- 4.4 Although the Board may delegate powers and responsibilities to these committees, the Board retains ultimate accountability for discharging its duties.
- 4.5 Directors are entitled to attend committee meetings and receive committee papers (including, without limitation, agendas, committee packs and minutes of meetings). 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.

#### **Delegation to CEO and Management**

- 4.6 Where legally possible, 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 which cannot legally be delegated by the Board,

or which are reserved to the Board and its committees under their charters or under specific limitation or guidance from the Board.

- 4.7 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.
- 4.8 The CEO has authority to sub-delegate to the senior management team.

#### **Role of the CEO**

- 4.9 The management function is conducted by, or under the supervision of, the CEO as directed by the Board, and by other officers to whom the management function is properly delegated by the Board or the CEO.
- 4.10 The Board approves corporate objectives for the CEO to satisfy and, jointly with the CEO, develops the duties and responsibilities of the CEO, which include those set out in any employment contract of the CEO.
- 4.11 The CEO is responsible for implementing strategic objectives, plans and budgets approved by the Board in accordance with the directions of the Board.

#### **Relationship with senior management**

- 4.12 Directors may delegate their powers as they consider it appropriate including to senior management of the Company. However, ultimate responsibility for strategy and control rests with the directors.
- 4.13 Senior management are responsible for:
  - (a) implementing the Company's strategic objectives and instilling and reinforcing its values, all while operating within the values, Code of Conduct, budget and risk appetite set by the Board; and
  - (b) providing the Board with accurate, timely and clear information on the Company's operations to enable the Board to perform its responsibilities (including information about the financial performance of the Company, its compliance with material legal and regulatory requirements, and any conduct that is materially inconsistent with the values of the Company or Code of Conduct). Directors are entitled to request additional information at any time when they consider it appropriate.
- 4.14 Senior management are ultimately accountable to the Board.

## **5 Membership**

#### **Composition and Size**

- 5.1 The composition of the Board will include non-executive, independent directors. The chairperson of the Board will be elected annually by the directors and must be an independent non-executive director.
- 5.2 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.

#### **Board skills matrix**

- 5.3 The Company seeks to have directors with an appropriate range of skills, knowledge experience, independence and diversity, and an understanding of and competence to deal with current and emerging issues of the business.

- 5.4 The Company's succession plans are designed to maintain an appropriate balance of skills, knowledge, experience, independence and diversity on the Board.

#### **Appointment and Re-Election of Directors**

- 5.5 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.
- 5.6 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, that are tailored to their existing skills, knowledge and experience, to position them to discharge their responsibilities effectively and to add value.
- 5.7 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.
- 5.8 The Company will disclose the length of service of each director.

#### **Independence**

- 5.9 All directors – whether independent or not – should bring an independent judgement to bear on all Board decisions.
- 5.10 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 their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual shareholder or other.
- 5.11 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;
  - (b) receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, the Company;
  - (c) is, or has been within the last three years, in a material business relationship (eg as a supplier, professional adviser, consultant or customer) of the Company or other group member, or is an officer or partner of, or otherwise associated with, someone with such a relationship;
  - (d) is a substantial security holder of the Company (that is, holds 5% or more of the issued voting shares of the Company) or represents, or is or has been within the last three years an officer or employee of, a professional advisor to, 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 their independence from management and substantial security holders 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 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 as a whole rather than the interests of an individual security holder or other party.

- 5.12 The Board will regularly assess the independence of each non-executive 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 non-executive 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.
- 5.13 If the Board determines that a director's independent status has changed, that determination will be disclosed to the market in a timely fashion.

#### **Conduct of Individual Directors**

- 5.14 Directors must at all times act in accordance with legal and statutory requirements, and devote sufficient time to discharge their duties as directors of the Company. Directors must:
  - (a) exercise their powers and 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;
  - (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 so as to form an independent judgment;
  - (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

### Meetings

- 6.1 All Board meetings will be conducted in accordance with the Company's constitution and the Corporations Act.
- 6.2 Directors are committed to collective decision making, but have a duty to form an independent judgment and to independently 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.
- 6.3 Directors must keep the Board discussions and resolutions confidential, except where they are required to be disclosed.
- 6.4 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.
- 6.5 Non-executive directors will periodically meet without executive directors or management present.
- 6.6 The Board may request or invite management or external consultants to attend Board meetings, where necessary or desirable.
- 6.7 The Board may conduct meetings by telephone, video conference or other electronic means.

### Conflicts of interest

- 6.8 The directors are required to act in a manner which is consistent with the best interests of the Company as a whole, free of any actual or possible conflicts of interest at all times. Common directors' interests which sometimes give rise to such conflicts include:
  - (a) outside directorships;
  - (b) potentially conflicting duties owed to other entities;
  - (c) significant outside investments of directors and their related parties; and
  - (d) outside employment or engagements.
- 6.9 If a director considers that they might be in a position where there is a reasonable possibility of conflict between their personal or business interests, the interests of any associated person, or their duties to any other company and the interests of the Company or their duties to the Company or the group, the Board requires that the director:
  - (a) fully and frankly informs the Board about the circumstances giving rise to the conflict;
  - (b) unless the Board otherwise determines, abstains from voting on any motion relating to the matter and absents themselves from all Board deliberations relating to the matter, including receipt of board papers bearing on the matter; and
  - (c) if deemed appropriate by the Board or the director, takes such other steps as are necessary and reasonable to resolve any conflict of interest within an appropriate period.
- 6.10 Where the nature or scope of an interest previously disclosed to the Board materially changes, the director is required to provide further disclosure to the Board.



- 6.11 If a director believes that they may have a conflict of interest or duty in relation to a particular matter, the director should immediately consult with the chairperson (or, if the chairperson is the relevant director, with the other non-executive directors).

#### **Related party transactions**

- 6.12 The Board has delegated to the Audit and Risk Committee responsibility for reviewing and monitoring related party transactions and investments involving the directors and the group.

#### **Independent Professional Advice**

- 6.13 Directors may obtain independent professional advice, at the Company's cost, in carrying out their responsibilities. Before doing so, Directors must follow the approval procedures set out in their appointment letters and Board policies in place from time to time.
- 6.14 It will be appropriate to obtain independent professional advice where:
- (a) the issue or recommendation in question is one which the director reasonably considers, after consulting with the Board or the chairperson of the Board, is of a character that makes obtaining independent advice appropriate; and
  - (b) the Board or chairperson of the Board, following such consultation consents to the obtaining of such advice.
- 6.15 Independent professional advice can be obtained without the involvement of the Company's management where the Board or the chairperson of the Board considers it appropriate to do so.
- 6.16 A suitably qualified expert in the appropriate field should be instructed. Prior to instructing the expert, the director should advise the Board or chairperson of the Board of the fee payable which must be reasonable having regard to the nature of the advice sought.
- 6.17 All instructions to the expert must be in writing specifying the party instructing and the capacity in which that party is acting and the party to whom the advice is to be addressed.
- 6.18 Except in circumstances of competing interests between the directors or the director and the Company, a copy of the advice, the letter of instruction, and all materials which accompanied the letter must be provided to the Board.

#### **Access to Management**

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

## **7 Review and Publication of Charter**

- 7.1 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.
- 7.2 The charter is available on the Company's website and the key features may be published in the annual report or a link to the governance section of the website provided.
- 7.3 To the extent that there is any inconsistency between this charter and the Company's constitution or the law, the constitution or applicable law will prevail.

**Approved by the Board on 1 February 2022**