



Board Charter

Ashley Services Group Limited
ACN 094 747 510



1. Introduction

This Board Charter has been developed and approved by the board of directors (**Board**) of Ashley Services Group Limited (**Company**) to outline the manner in which the Board discharges its responsibilities.

- 1.1 The powers and duties of individual directors is set out in the Constitution and at law.

2. Role and Responsibilities of the Board

- 2.1 The Board is responsible for, and has the authority to determine, all matters relating to the strategic direction, policies, practices, goals for management and the operation of the Company. Without intending to limit this general role of the Board, the specific functions and responsibilities of the Board include:

- (a) approving the strategic objectives of the Company and establishing goals to promote their achievement;
- (b) monitoring the operational and financial position and performance of the Company;
- (c) ensuring that the directors inform themselves of the Company's business and financial status;
- (d) establishing criteria in respect of acquisitions and divestments, approving investments, and implementing ongoing evaluations of investments against such criteria;
- (e) determining the Company's dividend policy and the amount, nature and timing of dividends to be paid (if any);
- (f) approving and monitoring the progress of major capital expenditure, capital management and major acquisitions and divestitures;
- (g) providing oversight of the Company, including its control and accountability systems;
- (h) establishing written policies on compliance, risk oversight and management;
- (i) assessing and determining whether to accept risks beyond the approval discretion provided to management;
- (j) reviewing, ratifying and monitoring systems of risk management and internal compliance and control, codes of conduct and legal compliance, in conjunction with the Company's Audit and Risk Management Committee, and ensuring they are operating effectively;
- (k) appointing and removing the Chief Executive Officer (or equivalent) (**CEO**), monitoring performance and approving the remuneration of the CEO and the remuneration policy and succession plans for the CEO, where applicable and appropriate;
- (l) ratifying the appointment of the directors and, where appropriate or applicable, the Company's secretary (**Secretary**);
- (m) ensuring that business risks facing the Company are, where possible, identified and that appropriate monitoring and reporting internal controls are in place to manage such risks;



- (n) approving and monitoring financial and other reporting and disclosure, including the Company's budgets;
- (o) ensuring the Company complies with its responsibilities under the *Corporations Act 2001* (Cth), the Company's Constitution, the ASX Listing Rules and other relevant laws;
- (p) considering the Company's diversity policies (as set out in the Diversity Policy) and ensuring that the Company's workforce, including its Board, is made up of individuals with diverse skills, values, backgrounds and experience to the benefit of the Company;
- (q) considering the social, ethical and environmental impact of the Company's activities, setting standards and monitoring compliance with the Company's sustainability policies and practices;
- (r) exercising due care and diligence and sound business judgment in the performance of those functions and responsibilities;
- (s) providing oversight and monitoring of Occupational Health & Safety (**OH&S**) issues in the Company and considering appropriate OH&S reports and information; and
- (t) ensuring appropriate resources are available to senior executives (including senior and key officers of the Company) (**Senior Executives**).

2.2 The Board should be provided with the information it needs to discharge its responsibilities effectively. The Senior Executives should supply the board with information in a form and timeframe, and of a quality that enables the Board to discharge its duties effectively. Directors are entitled to request additional information where they consider such information necessary to make informed decisions.

3. Composition of the Board

3.1 Size

The Company's Constitution provides that:

- (a) the number of directors must be not less than three nor more than nine (or such lesser number as the directors determine, following approval by ordinary resolution of the shareholders in a general meeting); and
- (b) a quorum for a directors' meeting is two directors entitled to vote (or such greater number as the directors determine).

3.2 Independent Directors

To the extent reasonably practicable given the size and composition of the Board from time to time, the majority of directors of the Company ideally will be non-executive directors, preferably independent directors, a majority of whom are ordinarily resident in Australia.

The Board will regularly assess (with input from the Nominations Committee), at least annually, the independence of each director and include this information in the Company's Annual Report. When assessing the independence of the directors, the Board should consider the factors set out in the ASX Corporate Governance Council's Principles and Recommendations.



Should a director's independent status change, this will be disclosed and explained in a timely manner to the market.

3.3 **Expertise**

The Board shall ensure that, collectively, it has the appropriate range of expertise to properly fulfil its responsibilities, including:

- (a) accounting;
- (b) finance;
- (c) business;
- (d) the Company's industry;
- (e) legal skills;
- (f) CEO-level experience; and
- (g) relevant technical experience.

The Board will review the range of expertise of its members on a regular basis and ensure that it has operational and technical expertise relevant to the operation of the Company.

4. **Appointment of the Directors**

The directors are appointed in accordance with the terms of the Company's Constitution.

The terms and conditions of the appointment of directors will be set out in a letter of appointment.

The Company will enter into a written agreement with each senior executive setting out the terms and conditions of their employment.

5. **The Chair**

5.1 **Appointment and Removal**

The Board will elect the chairperson (**Chair**) in accordance with the Constitution. A deputy chair (**Deputy Chair**) may also be elected.

To the extent reasonably practicable given the size and composition of the Board from time to time, the Chair will be a non-executive director, ideally an independent director, who is selected on the basis of the person's achievements and record as a leader.

The roles of the Chair and the CEO may not be exercised by the same individual.

5.2 **The position of Chair will be reviewed by the Board at the first Board meeting following the annual general meeting. The Chair may be removed from office in accordance with the Constitution.**

Responsibilities and Duties

The Chair will authorise the expenses of all the other Directors and the CEO.



The Chair is responsible for leadership of the Board, for the efficient organisation and conduct of the Board's function, and for the briefing of all the Directors in relation to issues arising at Board meetings.

The Chair's specific duties are to:

- (a) chair Board meetings and general meetings;
- (b) establish the agenda for Board meetings in consultation with the CEO;
- (c) ensure Board minutes properly reflect Board decisions;
- (d) be the spokesperson for the Company at the annual general meeting and in the reporting of performance and profit figures; the CEO or the CEO's nominee will undertake all other public relations activities;
- (e) maintain a regular dialogue and mentoring relationship with the CEO and senior executives, serving as a primary link between the Board and management and providing continuity between Board meetings;
- (f) be the major point of contact between the Board and the CEO;
- (g) be kept fully informed of current events by the CEO on all matters which may be of interest to the directors;
- (h) regularly review with the CEO and such other senior executives as the CEO recommends, progress on important initiatives and significant issues facing the Company;
- (i) chair the CEO evaluation process through the Remuneration Committee;
- (j) commence the annual process of Board and director evaluation; and
- (k) in accordance with the Constitution, not have a casting vote (unless a resolution of the directors is passed granting this right to the director who is chair when the resolution is passed).

The Chair is not entitled to vote or participate in the deliberations on any matter in which he or she has a personal interest unless there is compliance with the directors' interest provisions under the Constitution.

6. Individual Directors

In accordance with statutory requirements and in keeping with developments at common law, each director has the responsibility to:

- (a) exercise their powers and discharge their duties in good faith and in the best interests of the Company;
- (b) use their powers of office for a proper purpose and not for personal advantage or for the benefit of another party;
- (c) use due care and diligence;



- (d) make an effort (as is reasonably required in the circumstances) to become and remain familiar with the affairs of the Company;
- (e) review, question and challenge, where appropriate, the accuracy of the minutes and board papers;
- (f) actively engage in the conduct of Board matters;
- (g) attend all Board meetings and Board functions unless there are valid reasons for non-attendance; and
- (h) commit the necessary time and energy to Board matters to ensure that they are contributing their best endeavours in the performance of their duties for the benefit of the Company, without placing undue reliance on other directors or senior executives to fulfil these duties.

7. The CEO

The CEO is appointed by the Board.

The CEO is responsible for the ongoing management of the Company in accordance with the strategy, policies and programs approved by the Board. The CEO's responsibilities include:

- (a) developing with the Board, a consensus for the Company's vision and direction;
- (b) constructing, with the Company's senior executives, programs to implement this vision;
- (c) negotiating the terms and conditions of appointment of senior executives for Board approval;
- (d) appointing the senior executive team;
- (e) endorsing the terms and conditions of appointment of all other staff members;
- (f) providing strong leadership to, and effective management of, the Company in order to:
 - (i) encourage co-operation and teamwork;
 - (ii) build and maintain staff morale at a high level; and
 - (iii) build and maintain a strong sense of staff identity with, and a sense of allegiance to, the Company;
- (g) ensuring a safe workplace for all personnel;
- (h) ensuring a culture of compliance generally, and specifically in relation to environmental matters;
- (i) carrying out the day-to-day management of the Company;
- (j) forming other committees and working parties from time to time to assist in the orderly conduct and operation of the Company;
- (k) keeping the Board informed, at an appropriate level, of all the activities of the Company; and



- (l) ensuring that all personnel act with the highest degree of ethics and probity.

The Board formally delegates the power to the CEO to authorise all expenditures as approved in the budget or employment contract of each individual director, subject to:

- (a) all CEO remuneration, outside of normal monthly remuneration, which must be authorised by the Board; and
- (b) all business related expenses paid to the CEO, which must be authorised or ratified by the Chair.

8. Secretary

The Secretary is appointed in accordance with the Constitution.

The Secretary reports directly to the Board through the Chair and all directors will have access to the Secretary.

The Secretary is generally responsible for carrying out the administrative and legislative requirements of the Board. The Secretary holds primary responsibility for ensuring that the Board processes and procedures run efficiently and effectively.

The Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

The specific tasks of the Secretary include:

- (a) overseeing the Company's compliance program and ensuring all Company legislative obligations are met;
- (b) coordinating all Board business including meetings, agendas, board papers and minutes, and monitoring the completion of actions arising from Board meetings;
- (c) meeting statutory reporting requirements in accordance with relevant legislation; and
- (d) any other services the CEO or Chair may reasonably require.

9. Committees

- 9.1 To assist with focussing on specific Board responsibilities in order to properly execute the Board's duties, the Board has the authority to establish and determine the powers and functions of the committees of the Board, including the Audit and Risk Management Committee, the Remuneration Committee and the Nomination Committee. Each Board committee is to document a charter, approved by the Board, setting out its responsibilities.

- 9.2 To the extent reasonably practicable given the size and composition of the board from time to time, there will be three standing committees, namely:

- (a) a Remuneration Committee;
- (b) a Nomination Committee; and
- (c) an Audit and Risk Management Committee.

**10. Meetings**

The Board has established procedures for conducting Board meetings and meetings of the various Board committees.

11. CEO and CFO assurances

It is the responsibility of both the CEO and the Chief Financial Officer (or equivalent) (**CFO**) to provide written assurances to the Board that:

- (a) the financial reports submitted to the Board present a true and fair view of the Company's financial position and operational results; and
- (b) the Company's risk management and internal compliance and control system is operating efficiently and effectively.

12. Board Performance

The Board will regularly assess and review the performance of the Board, the Company's committees and individual directors, at least annually to the extent practicable.

13. Code of Conduct for Directors and Officers

To promote ethical and responsible decision-making, the Board must approve the Code of Conduct - Directors and Key Officers (the CEO, the CFO and any other senior executives) as to the practices necessary to maintain confidence in the Company's integrity and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

The Code of Conduct – Directors and Key Officers shall deal with the following main areas:

- (a) conflicts of interest;
- (b) confidentiality;
- (c) fair dealing;
- (d) inside information;
- (e) compliance with laws and regulations;
- (f) corporate opportunities;
- (g) protection and proper use of the Company's assets; and
- (h) encouraging the reporting of unlawful, unethical behaviour.

The directors and the senior executive team must comply with the Code of Conduct and demonstrate commitment to the Code of Conduct and consistency in its execution. Adherence to the Code of Conduct must be periodically evaluated, and remedial action taken where necessary.

14. Induction and continuing education

The Board must implement an appropriate induction and education process for new Board appointees and senior executives.



The Board must ensure that director education occurs regularly and that the directors are given the opportunity to undertake professional development education in order to adequately discharge their duties to the Company.

15. Independent professional advice

To facilitate independent judgement in decision-making, each director has the right to seek independent professional advice at the Company's expense. However, prior approval from the Chair is required, which may not be unreasonably withheld.

16. Policies

The Board (or appropriate Board committee) is responsible for establishing policies relating to various matters, including:

- (a) bribery and corruption;
- (b) diversity;
- (c) share trading;
- (d) communications strategy with shareholders;
- (e) continuous disclosure; and
- (f) whistle-blowing.

17. Review of Charters

The Board will review this Charter and the Board committee charters from time to time to ensure that they are operating efficiently and to determine whether any changes are required to be made. This Charter and the Board committee charters may be amended by resolution of the Board.

Adopted by the Ashley Services Group Limited Board on 28 August 2023.

**Board Performance Evaluation Tool**

This simple tool is designed to assist in assessing the effectiveness of the Board.

The tool takes the form of a series of assertions which should be awarded a rating on a scale of 1 to 3 by individual directors or by the Board as a whole. Once complete, the matters should be discussed at a Board meeting.

Discussions facilitated by a third party are often able to bring additional value to the process.

1 = Hardly ever/Below average, 2 = Average/Most of the time/Above average, 3 = All of the time/Fully satisfactory.

Behaviours	1	2	3	Comments
<i>Setting strategy</i> All Board members support and debate the organisation's strategy and values, enabling them to set the tone from the top.				
<i>Strategy</i> All Board members have a clear understanding of the organisation's core business, its strategic direction and the financial and human resources necessary to meet its objectives.				
<i>Board performance</i> The Board sets itself objectives and measures its performance against them on an annual basis.				
<i>Managing Board meetings and discussions</i> Board meetings encourage a high quality of debate with robust and probing discussions.				
<i>Managing internal Board relationships</i> Board members make decisions objectively and collaboratively in the best interests of the organisation and feel collectively responsible for achieving organisational success.				
<i>Board members' own skills</i> Board members recognise the role which they and each of their colleagues is expected to play and have the appropriate skills and experience for that role.				
<i>Reaction to events</i> The Board responds positively and constructively to events in order to enable effective decisions and implementation and to encourage transparency.				



<i>Chair</i> The Chair's leadership style and tone promotes effective decision-making, constructive debate and ensures that the Board works as a team.				
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Behaviours	1	2	3	Comments
<i>Chair and CEO relationship</i> The Chair and the CEO work well together and their different skills and experience complement each other.				
<i>Attendance and contribution at meetings</i> All Board members attend and actively contribute at meetings.				
<i>Open channels of communication</i> The Board has open channels of communication with executive management and others and is properly briefed.				
<i>Risk and control frameworks</i> The Board's approach to reviewing risk in the organisation is open and questioning, and looks to learning points from events, rather than blame.				
<i>Composition</i> The Board is the right size and has the best mix of skills to ensure its optimum effectiveness.				
<i>Terms of reference</i> The terms of reference for the Board are appropriate, with clearly defined roles and responsibilities, ensuring that the right issues are being addressed.				
<i>Committees of the Board</i> The Board's committees are properly constituted, perform their delegated roles and report back clearly and fully to the Board.				
<i>Company Secretary</i> The Company Secretary acts as an appropriate conduit for the provision of information to the Board and support to the Chair and directors.				
<i>Meetings and administration</i> The Board meets sufficiently often, and with information of appropriate quality and detail, such that agenda items can be properly covered in the time allocated.				



<i>Timeliness of information</i> Information is received in sufficient time to allow for proper consideration, with scope for additional briefing if necessary.				
<i>Agenda items</i> The Board agenda cycle covers all matters of importance to the organisation, is prioritised and includes consideration of corporate reputation, its enhancement and the risks surrounding it.				
Behaviours	1	2	3	Comments
<i>Annual General Meeting</i> The company makes best use of its Annual General Meeting.				
<i>External stakeholders</i> The Board has defined its external stakeholders and ensures that the organisation has the right level of contact with them.				
<i>Risk management</i> The Board uses an active and well-structured process to manage risk, taking account of the organisation's activities and the breadth of functions across the business.				
<i>Induction and training</i> Board members receive proper induction on appointment and ongoing training is available to meet development needs.				
<i>Succession planning</i> There is appropriate succession planning for key Board members and senior executives.				
<i>Performance evaluation</i> Board members are individually subject to an annual performance evaluation that measures their contribution and commitment.				