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<b>CHARTER TOPIC</b> Board Charter	Issued on: 29/11/2018 Reviewed 22 June 2021	Effective: 29/11/2018	Supersedes: N/A	Pages: 6

## INTRODUCTION

Ardent Leisure Group Limited's (the **Company**) shares are traded on the Australian Securities Exchange (ASX:ALG). The directors of the Company are committed to the establishment of a flexible and effective system of corporate governance and have set out the roles and responsibilities of the Board and senior management in a Board Charter.

## ROLES AND RESPONSIBILITIES

The primary role of the Board is to promote the long term health and prosperity of the Company and its subsidiaries (collectively, the **Group**) and to build sustainable value for investors. Under the *Corporations Act 2001* (Cth) the Board must act in the best interests of investors.

Specifically, the Board is responsible for:

- Setting the objectives, goals and strategic direction of the Group;
- Reviewing and approving the annual budget and financial plans of the Group;
- Overseeing the effectiveness of management processes in place to achieve strategic direction;
- Approving and monitoring progress of major capital expenditure, capital management, acquisitions and divestments;
- Monitoring financial performance and corporate reporting including liaising with the Group's external auditor;
- Oversight and approval of accounting systems and risk management, internal controls and regulatory compliance;
- Monitoring the performance of management;
- Appointing, and where necessary replacing, the Chief Executive Officer (and other Key Management Personnel and senior executives as decided from time to time) and overseeing succession plans for the senior executive team;
- Evaluating the performance of the Chief Executive Officer and other senior executives on an annual basis;
- Overseeing the processes for identifying significant risks facing the Group, setting risk appetite and monitoring that appropriate compliance control systems and monitoring and reporting mechanisms are in place;

- Approving the remuneration framework for Directors and the Group's Key Management Personnel and the Group's overall remuneration framework;
- Monitoring compliance with legal obligations, promoting ethical and responsible behaviour and enhancing and protecting the brand and reputation of the Group;
- Monitoring the culture of the Group and the effectiveness of the Group's governance practices; and
- Ensuring effective communications with investors and other stakeholders and overseeing the Group's continuous disclosure processes.

## **ROLE OF THE CHAIR**

The Chair is responsible for the following:

- The leadership of the Board;
- The efficient organisation and operation of the Board;
- Briefing all Directors in relation to issues arising at Board meetings;
- Facilitating effective contributions from all Directors;
- Promoting constructive relations between Directors and management;
- Ultimately setting the Board meeting agenda; and
- Oversight of the processes and procedures in place to evaluate the performance of the Board, its committees and individual directors.

## **MATTERS RESERVED FOR THE BOARD**

The following powers are specifically reserved for the Board of Ardent Leisure Group Limited:

- Approval of the strategic plan and annual operating and capital expenditure budgets;
- Approval of Treasury policies (including foreign exchange exposures and derivatives);
- Approval of financial and operational risk management strategies;
- Establishment, acquisition, cessation or disposal of any division or business unit;
- Approval of financial statements and any significant changes to accounting policies;
- Approval of dividend payments;
- Consideration of recommendations from the Audit & Risk Committee for the appointment and removal of the external auditors;
- Appointment and removal of any of the Chief Executive Officer, the Key Management Personnel or the Company Secretary;
- Approval of Charters of Board Committees and the composition of Board Committees;
- Any changes to discretions which have been delegated by the Board;
- Approval of key policies including Workplace Health and Safety, Environmental and Sustainability policies;
- Changes to the Group's capital structure including the issue of shares, options, equity instruments or other securities;

- Any change to the divisional operating structure;
- Any key public statements which relate to significant issues concerning changes to strategy or Group policy;
- Approval of the Directors and Officers Liability insurance;
- Approval of the terms and conditions of the appointment of Directors and the Chief Executive Officer (other than those that are the ambit of the Remuneration & Nomination Committee);
- Establishment of or changes to any employee equity plans and the allocation of executive share options or rights;
- Approval of entry by Ardent Leisure Group Limited or its subsidiaries into any:
  - a) commitment to invest equity of more than \$5 million in aggregate into a project;
  - b) contract to acquire or dispose of an asset or assets with an aggregate value greater than \$5 million;
  - c) external credit facilities with a total value of more than \$5 million;
  - d) procurement of individual bonds with a face value of greater than \$5 million;
  - e) granting of guarantees in excess of \$5 million;
  - f) contingent liabilities in excess of \$5 million; or
  - g) agreement involving the establishment of any third party investment vehicle with proposed assets of in excess of \$5 million; and
- Any matter which, according to law, is expressly reserved for Board determination.

## **INDEPENDENCE**

### **Definition and Review of Independence**

The Board recognises that independent directors are important in assuring investors that the Board is properly fulfilling its role and is diligent in holding management accountable for its performance. A majority of the Board should be independent Directors.

The independence of the Directors is assessed annually taking into account such matters as contractual interests, significant shareholdings, relationships with key advisers, suppliers and customers and any prior executive employment within the Group. The independence of each Director will be disclosed annually in the Group's annual report.

### **Board Composition and Governance**

The Board, in consultation with the Remuneration & Nomination Committee, determines the composition of the Board.

The following will apply to Board composition subject to the rights of members under the Constitution to elect a majority of the Directors:

- Independent Directors should comprise a majority of the Board;
- Ensure that the Directors appointed provide an appropriate range of qualifications and expertise;
- A lead independent Director should be appointed by the Board if the Chair is not independent;

- The Board has not adopted a tenure policy; and
- The Board and Directors undergo annual performance evaluations.

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

## **RIGHT OF ACCESS TO INFORMATION**

The Board may seek further information on any issue, including requesting that particular executives present information on the performance, strategy, outlook or particular assets. Each Director is required to enter into a Deed of Access, Insurance and Indemnity. Each Director will have direct access to the Company Secretary.

## **CONFIDENTIALITY**

All Group related information acquired by Directors during their appointment is confidential to the Group and should not be released, either during the term of the Directors' appointment or following their termination without prior approval of the Board.

## **CONFLICT OF INTEREST**

Directors should not have any business or other relationship that could materially influence or interfere with the exercise of their independent judgement apart from those declared to the Board under the Corporations Act 2001, ASX Listing Rules or other general law requirements.

Directors with a material personal interest in a matter must not be present at a Board meeting during the consideration of the matter and subsequent vote unless the Board (excluding the relevant Board member) resolves otherwise. Directors with a conflict not involving a material personal interest may be required to absent themselves from the relevant deliberations of the Board.

## **RIGHT TO INDEPENDENT PROFESSIONAL AND LEGAL ADVICE**

Each Director shall have the ability to request independent professional and legal advice where that Director considers it necessary to carry out their duties and responsibilities. Any costs incurred as a result of the Director consulting an independent expert will be borne by the Group, subject to the estimated costs being approved by the Chair in advance as being reasonable.

The procedure for requesting professional and legal advice is as follows:

- Where a Director considers that he or she may require independent advice, that Director should approach the Company Secretary for a list of current advisers. This is in order to ensure that the Director is able to select an adviser who is independent of the Group.
- The Director should advise the Chair of the nature of and reasons for the advice being sought, the name of the professional adviser selected by the Director and the fee estimate for the advice.
- The Chair will consider the proposal on a timely basis and if reasonable authorise the request. The Chair must not unreasonably withhold such authorisation.
- The Chair may delegate the authority to authorise the payment of the professional adviser's expenses to another Director or to the Company Secretary.

## **RELATIONSHIP WITH MANAGEMENT**

The Board may delegate specific authorities to Board Committees and to management.

## **MEETINGS**

The Board will meet on a regular basis with meetings being scheduled as the Chair shall deem appropriate. In addition, the Company Secretary is required to convene a meeting if requested to do so by any Director. Directors are required to attend as many Board meetings as possible and to have read and considered the Board papers ahead of each meeting.

The number of Directors necessary to constitute a quorum is two.

A motion shall be passed by a majority of votes cast in favour by Directors present at the meeting.

In addition to the above meetings, the Independent Directors may meet at least once per year without management being present and at such other times as they may determine appropriate.

## **COMMITTEES**

The Directors may delegate any of their powers to a committee or individuals. Each such committee shall adopt a charter setting out matters relevant to composition, responsibilities, administration, review and other matters that the Board or committee consider appropriate.

The Board has established the following committees:

- Audit and Risk Committee;
- Remuneration and Nomination Committee; and
- Safety and Risk Review Committee.

## **INDUCTION AND TRAINING**

### **Induction**

Each new Director should upon appointment, participate in an induction programme. This will include meeting senior management and site visits to gain an understanding of the Group's operations and procedures.

### **Training**

Directors should ensure that they keep themselves adequately informed in respect of relevant industry and regulatory issues and changes. Each Director will be invited to participate in asset tours from time to time.

Any other training requirements should be discussed with, and if appropriate, arranged by the Company Secretary with the Chair's approval.

## **PERFORMANCE EVALUATION**

Each Director will participate in an annual performance evaluation which will be reviewed by the Chair.

## **REVIEW**

The Board will review this Charter annually to keep it up to date and consistent with the Board's objectives and responsibilities.

Amendments to this Charter, other than updates for branding or position titles, are to be approved by the Board.