

Tegel Group Holdings Limited – Board Charter

This charter (**Charter**) was approved by the board of directors (**Board**) of Tegel Group Holdings Limited (**Company**) on 18 October 2016.

1. Purpose

- 1.1 This Charter sets out the Board's role, composition, responsibilities, duties and powers and also the responsibilities of any person appointed as, or holding the office of, a director of the Company (**Director**). This Charter is to be read together with the constitution of the Company, altered from time to time (**Constitution**), the Companies Act 1993 (**Companies Act**), the NZX and, where applicable, the ASX Listing Rules (together the **Listing Rules**), the charters of the Company's committees and the Company's policies.

2. Overview

- 2.1 The Board will be the ultimate decision-making body of the Company. It will set the tone which will determine the Company's relationship with shareholders, investors, employees, customers, suppliers and the local and business communities.
- 2.2 The Board will set the strategic direction of the Company and will approve the Executive team of the Company (**Executive**) which is charged with operating the business. The Board will oversee the Executive and will ultimately monitor performance of the Company on behalf of all shareholders.
- 2.3 The Board is responsible for the corporate governance of the Company.

3. Membership, Appointment and Term

- 3.1 The Constitution provides that the Board must comprise between 3 and 8 Directors.
- 3.2 At least 2 Directors must be persons who are ordinarily resident in New Zealand.
- 3.3 Directors will be appointed and will retire in accordance with the requirements contained in the Constitution and Listing Rules.
- 3.4 At all times the Board must comply with the requirements of the Constitution, the Companies Act, all applicable laws and regulations and the Listing Rules.
- 3.5 The Board will oversee nominations and appointments to the Board, with the objective that the Company has a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties and to bring transparency, focus and independent judgement to decisions regarding the composition of the Board. In discharging this role, the Board will have regard to the skills and the responsibilities set out in the schedule to this Charter.

4. Board Responsibilities

- 4.1 The Board has delegated authority for the operations and administration of the Company to the Chief Executive Officer of the Company (**CEO**).
- 4.2 The Board is responsible for promoting the success of the Company in a manner designed to create and build sustainable value for shareholders.

4.3 Specifically, the Board is responsible for:

- (a) providing leadership and setting strategic direction, appropriate operating frameworks and budgets of the Company;
- (b) overseeing management's implementation of the Company's strategic objectives and its performance generally;
- (c) appointing and removing the CEO;
- (d) approving and monitoring financial reporting, annual budget and capital management;
- (e) ensuring the Company satisfies its continuous disclosure obligations under the Listing Rules, and that the market has available all relevant information required to make informed investment decisions, and assessments of the Company's prospects, in accordance with the Company's Continuous Disclosure Policy;
- (f) overseeing the integrity of the Company's internal controls, financial and corporate reporting systems, including the external audit;
- (g) seeing that the Company has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate;
- (h) reviewing reports from the CEO, Chief Financial Officer (**CFO**) and executives of the Company;
- (i) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material impact on the price or value of the Company's shares;
- (j) promoting and authorising ethical and responsible decision-making by the Company;
- (k) requiring that the Board is and remains appropriately skilled to meet the changing needs of the Company;
- (l) approving the Company's Governance and Remuneration Committee and Audit and Risk Committee Charters; and
- (m) attending to matters which cannot be delegated under law, particularly those matters set out in Schedule 2 to the Companies Act.

5. Responsibilities of Individual Directors

5.1 Directors will comply with their legal, statutory and equitable duties and obligations when discharging their responsibilities as Directors.

5.2 Broadly these include:

- (a) acting in good faith and in the best interests of the Company as a whole;
- (b) acting with care and diligence and for proper purpose;

- (c) conducting themselves such that their honesty is beyond question and not behaving in a manner that has the potential to bring the Company's good name or image into disrepute;
- (d) avoiding conflicts of interest wherever possible, and where these do arise declaring and managing these in accordance with the intent and content of this Charter, the Companies Act, the Constitution, the Listing Rules, and in accordance with the Conflicts of Interest Policy;
- (e) not entering into transactions or making promises on behalf of the Company that the Company does not intend to honour;
- (f) not making improper use of information gained through the position of Director and from taking improper advantage of the position of Director;
- (g) to the best of their ability ensuring that the Company's records and documents, including financial reports, are true, correct and conform to the Company's reporting standards and internal controls; and
- (h) ensuring that they and the Company comply with the Constitution, all applicable laws and regulations, the Listing Rules, this Charter and all applicable Board policies and procedures.

5.3 Directors are expected to support the letter and spirit of Board decisions.

5.4 Directors should ensure that they are independently familiar with the Company's operations and do not rely exclusively on information provided by executives or external advisers.

5.5 Subject to the Company's continuous disclosure obligations under the Listing Rules, Directors will keep Board information, discussions, deliberations and decisions which are not publicly known confidential.

6. **Access to Information and Independent Advice**

7. Directors may access information and seek independent advice as they individually or collectively consider necessary to fulfil their responsibilities and permit independent judgement in decision making. Independent professional advice includes legal advice and the advice of accountants and other professional financial advisors on matters of law, accounting and other regulatory matters, but excludes advice concerning the personal interests of the Director concerned (such as service contracts with the Company or dealing in the Company's shares or disputes with the Company).

8. **Compliance with Laws and Policies**

8.1 Directors will abide by all the laws, rules and regulations applicable to the Company, including the Companies Act, the Constitution, the Listing Rules, Takeovers Code, and this Charter and will comply with all statutory and internal disclosure requirements on a timely basis.

8.2 Directors will ensure that the Company has policies and procedures in place, and that these are adhered to, to ensure the Company complies with all applicable laws, rules and regulations, including the Companies Act, the Constitution, the Listing Rules, the *Corporations Act 2001 (Cth)*, Takeovers Code and to aim to comply with all statutory and internal disclosure requirements on a timely basis.

8.3 Directors will see that the following are put in place:

- (a) Code of Conduct;
- (b) Continuous Disclosure Policy;
- (c) Securities Trading Policy and Guidelines;
- (d) Conflicts of Interest Policy;
- (e) Diversity Policy; and
- (f) Shareholder Communications Policy.

9. **Board Committees**

- 9.1 The Board will not delegate any of its responsibilities to committees. However, committees will be formed to help the Board discharge its responsibilities by providing recommendations on specific areas of Company business.
- 9.2 The following standing committees will be established by the Board:
- (a) Audit and Risk Committee; and
 - (b) Governance and Remuneration Committee.
- 9.3 The Board may establish other committees from time to time.
- 9.4 Each of the standing committees must have its own written charter or terms of reference setting out its role and responsibilities, composition, structure, membership requirements and the manner in which the committee is to operate. All charters and terms of reference of committees of the Board must be reviewed on a regular basis and also will be made available on the Company's website.

10. **The Board and Management**

- 10.1 Responsibility for the day-to-day management and administration of the Company is delegated by the Board to the CEO, assisted by the Executive.
- 10.2 The CEO manages in accordance with the strategy, plans and delegations approved by the Board.
- 10.3 The Board will aim to implement appropriate procedures to assess the Executive's performance. All policies and delegated limits of authority will be reviewed on a regular basis.

11. **Chair and company secretary**

- 11.1 The Chair of the Board will be appointed by the Directors from time to time, and the terms of office will be at the Board's discretion. The Chair must be an Independent Director.
- 11.2 The role and responsibilities of the Chair include:
- (a) providing leadership to the Board and to the Company;
 - (b) seeing the efficient organisation and conduct of the Board;
 - (c) monitoring Board performance;

- (d) facilitating Board discussions so that core issues facing the Company are addressed;
- (e) briefing all Directors in relation to issues arising at Board meetings;
- (f) facilitating the effective contribution of all Directors;
- (g) promoting consultative and respectful relations between Board members and between the Board and management; and
- (h) chairing Board and shareholder meetings.

11.3 The secretary of the Board will be appointed by the Board.

12. **Procedures**

12.1 The Directors will meet together to attend to business and adjourn and otherwise regulate their meetings from time to time in such manner as they decide but subject to the Constitution.

12.2 The Board agrees unanimously to have as a quorum 3 members, not including any interested Director. The Board may from time to time unanimously agree to alter the quorum, or if the Board cannot unanimously agree, the applicable default provisions in the Constitution will apply.

12.3 Directors' meetings may be held by a quorum of Directors assembled together in the same place or by telephone or video conference.

13. **Reporting**

13.1 The Board shall ensure that minutes are kept of all proceedings at meetings of the shareholders, the Board and all Board committees. All minutes must be approved by the applicable chair of the meeting.

13.2 Minutes of all Board meetings will be circulated to all Directors. All passed resolutions arising from any Board meeting will be sent to any Director who has not signed or assented to that resolution within 7 days.

14. **Review of performance and this Charter**

14.1 The Board will periodically review its own performance and that of individual members, including by reference to this Charter. The Board will also periodically review the appropriateness of this Charter.

Last updated 18 October 2016.

SCHEDULE – BOARD NOMINATIONS

The responsibilities of the Board in relation to Board nominations are:

- 1.1 Being responsible for and disclosing a Board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership. The current Board skills matrix is included at clause 1.2 below;
- 1.2 Identifying and assessing the necessary and desirable competencies and characteristics for Board membership, including:
 - (a) relevant industry experience;
 - (b) financial literacy and legal and regulatory knowledge;
 - (c) skills, expertise and background that add to and complement the range of skills, expertise and background of the existing Directors;
 - (d) diversity;
 - (e) health, safety and social responsibility;
 - (f) organisational development and human resources; and
 - (g) the extent to which the candidate would fill a present need on the Board;
- 1.3 To seek to ensure that there is a director appointed to the Board at all times who is familiar with the obligations which will be imposed on the Tegel group under the ASX Listing Rules (as a foreign exempt entity) and under the *Corporations Act 2001* (Cth) (as a registered foreign company);
- 1.4 Establishing processes for identifying suitable candidates for appointment to the Board, aiming at an appropriate mix of expertise, experience and succession;
- 1.5 To oversee that the Company:
 - (a) undertakes appropriate checks before appointing a person, or putting forward to its shareholders a candidate for election, as a Director, such as checks as to a candidate's character, expertise, education, criminal record and bankruptcy history;
 - (b) provides its shareholders with material information relevant to a decision about whether or not to elect or re-elect a Director (including information regarding independence);
 - (c) has a written agreement with each Director and member of the Executive setting out the terms of his or her engagement or employment;
 - (d) has process for periodically evaluating the performance of the Board, its committees and individual Directors;
- 1.6 See that succession plans for Board and the Executive are in place; and
- 1.7 Recommending the removal of Directors from the Board.