

# Board Charter

VGI Partners Global Investments Limited ACN 619 660 721

## 1. Introduction

- 1.1 This is the charter of the board of directors of VGI Partners Global Investments Limited ACN 619 660 721 (**Company** and together with its controlled entities (if any), the **Group**).
- 1.2 The board of the Company (**Board**) is responsible for the corporate governance of the Group.
- 1.3 The purpose of this charter is to:
  - (a) promote high standards of corporate governance;
  - (b) clarify the role and responsibilities of the Board; and
  - (c) enable the Board to provide strategic guidance for the Company and the Group (if relevant) and effective management oversight of the Company's senior management team (**Management**).
- 1.4 This charter is supported by the Company's code of conduct, the charter for the Board's audit and risk committee, and the Company's policies in respect of securities trading, risk management, continuous disclosure and diversity, among other things.
- 1.5 In the course of undertaking its responsibilities, the Board at all times must act in a manner that is consistent with its duties and obligations as imposed by the Company's constitution, the ASX Listing Rules and the law. Examples of applicable areas of regulation include:
  - (a) regulatory guides and practice notes issued from time-to-time by the Australian Securities and Investments Commission;
  - (b) occupational health and safety legislation;
  - (c) employment related legislation;
  - (d) anti-discrimination legislation; and
  - (e) taxation legislation.
- 1.6 To the extent that there is any inconsistency between this charter and the Company's constitution, the constitution will prevail to the extent of that inconsistency.

## 2. Board size, composition and independence

- 2.1 The Company must have a minimum of three directors.
- 2.2 Directors will be appointed and removed in accordance with the *Corporations Act 2001* (Cth) (**Corporations Act**) and the Company's constitution.
- 2.3 An independent non-executive director is one who:
  - (a) is independent of the investment manager of all of the Company's assets, VGI Partners Limited ACN 129 188 450 (**Manager**) and Management;
  - (b) is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their unfettered and independent judgment; and
  - (c) otherwise meets the criteria for 'independence' as set out in the *ASX Corporate Governance Principles and Recommendations* (as amended from time to time) published by the ASX Corporate Governance Council (**ASX Recommendations**).

- 2.4 The Board should ideally comprise:
- (a) a majority of independent non-executive directors;
  - (b) directors with an appropriate range of skills, experience and expertise;
  - (c) directors who can understand and competently deal with current and emerging business issues; and
  - (d) directors who can effectively review and challenge the performance of Management, the Manager and exercise independent judgment.
- 2.5 The Board will determine the number of independent directors (if any) it considers appropriate based on the size, nature and complexity of the business at any given time.
- 2.6 The Board will regularly assess whether each non-executive director is independent and each non-executive director must provide to the Board all information relevant to his or her assessment in this regard. If a director's independent status changes, it will be immediately disclosed and explained to the market by way of release to ASX. In addition, the Board's assessment of the independence of each director of the Company will be disclosed in the Company's annual reports (to the extent deemed necessary).
- 2.7 Each director is appointed by way of a formal letter of appointment setting out the key terms and conditions of their appointment to ensure that each director clearly understands the Company's expectations of him or her.

### 3. Board composition and skills matrix

Skills such as leadership and previous experience as a chief executive, chair or board member of a similarly sized organisation to that of the Company have traditionally been prerequisites to appointment as a director. In addition to the desirable qualities of a director set out in **paragraph 2.3** above, the Board recognises that other skills gained from experience in the following areas are key skills and experience that the Board as a whole should comprise:

- (a) understanding of the industry in which the Company operates;
- (b) business acquisition and integration skills;
- (c) stakeholder management skills;
- (d) public listed company skills;
- (e) financial services and investment management experience;
- (f) financial literacy and legal and regulatory knowledge;
- (g) diversity;
- (h) understanding the regulatory environment in which the Company operates;
- (i) health, safety and environment and social responsibility; and
- (j) organisational development and human resources.

### 4. The Board's role and responsibilities

- 4.1 The Board must act in the best interests of the Company as a whole and is accountable to the Company's shareholders for the overall operation, direction, management, integrity and corporate governance of the Company.
- 4.2 The Board must monitor the operational and financial position and performance of the Company and oversee its business strategy. In conducting business with these objectives in mind, it is the role of the Board to seek to ensure that the Company is properly managed to protect and enhance shareholder interests, and that the Company, its directors, officers and personnel (if any) operate in an appropriate environment of corporate governance.
- 4.3 The Board must adopt relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for the Company's business and which are designed to promote the responsible management and conduct of the Company.

4.4 The Board's responsibilities include:

- (a) overseeing the Company, including providing leadership, defining the Company's purpose and setting its strategic objectives, and overseeing Management's implementation of such strategic objectives and its performance generally;
- (b) approving the Manager's investment strategy and delegating to the Manager the authorities provided in the management agreement executed between the Company and the Manager dated on or around 19 July 2017, as amended from time to time (**Management Agreement**);
- (c) providing effective oversight of the Manager's performance by regularly reviewing its performance against measurable and qualitative indicators as reflected in the Management Agreement and the terms of the Manager's delegated authority;
- (d) monitoring compliance by the Manager with its obligations under the Management Agreement and taking appropriate steps to enforce the performance of those obligations, if and when required;
- (e) approving the Company's statement of core values and code of conduct which underpin its desired culture;
- (f) appointing and removing the chair of the Board (**Chair**);
- (g) approving the appointment and replacement of the company secretary of the Company (**Company Secretary**);
- (h) where appropriate, ratifying organisational changes and approving remuneration policies and practices in order to ensure that they are aligned with the Company's purpose, values, strategic objectives and risk appetite;
- (i) ensuring appropriate remuneration policies and practices are in place for executive and non-executive directors and senior management (if any);
- (j) approving the Company's proposed annual budget;
- (k) determining dividend payments and the financing of the same;
- (l) approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestitures;
- (m) approving and monitoring corporate, financial and other reporting systems, including external audit, and overseeing their integrity;
- (n) monitoring and appraising financial performance including the approval of annual and half year financial reports and liaising with the Company's auditors;
- (o) reviewing and monitoring any related party transaction and determining whether to recommend its approval to the shareholders;
- (p) approving and monitoring systems of risk management (for both financial and non-financial risks), accountability, internal compliance and control, and legal compliance to ensure that appropriate compliance frameworks and controls are in place;
- (q) setting the risk appetite within which the Board expects Management (if any) and the Manager and its representatives to operate;
- (r) reviewing performance, operations and compliance reports from the Manager, including reports and updates on investment strategy and risk management matters;
- (s) reviewing and overseeing compliance with the Company's continuous disclosure policy together with the other policies and committees which are put in place by the Company with respect to the management of the Company's operations;
- (t) evaluating the performance of the Board and ensuring that the Company has a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- (u) reviewing and overseeing the implementation of the Company's code of conduct for directors and all other employees of the Company (if any);
- (v) approving the charters of the Board committees;

- (w) ensuring the Board is comprised of individuals who are best able to discharge the responsibilities of directors of the Company having regard to the law and the best standards of governance;
  - (x) monitoring and ensuring compliance with all legal and regulatory requirements, governmental regulations, accounting standards and ethical standards and policies and otherwise monitoring the effectiveness of the Company's governance practices, including establishing procedures to ensure information that a reasonable person would expect to have a material effect on the price or value of the Company's shares is appropriately and accurately disclosed on a timely basis; and
  - (y) any other responsibilities as prescribed by law or are determined by the Board from time to time.
- 4.5 In carrying out its responsibilities and functions, the Board may delegate any of its powers to a Board committee, a director or other person, subject to ultimate responsibility residing with the directors.
- 4.6 The matters specifically reserved for the Board or its committees (as relevant) include:
- (a) appointment and removal of a Chair;
  - (b) appointment and removal of the CEO (should one be appointed);
  - (c) appointment of a director to fill a casual vacancy or as an additional director;
  - (d) establishment of Board committees, their membership and delegated authorities;
  - (e) approval of dividends;
  - (f) issuance of securities;
  - (g) review of corporate codes of conduct and other policies put in place by the Company;
  - (h) approval of major capital expenditure, acquisitions and divestitures in excess of authority levels delegated to Management;
  - (i) calling of meetings of directors or shareholders; and
  - (j) any other specific matters nominated by the Board from time to time.

## 5. Board committees

- 5.1 The Company recognises the importance of establishing audit, risk management, remuneration and nomination committees as good corporate governance in circumstances where appropriate for the size, nature and complexity of the Company. However, considering the size of the Company and the fact that the Company does not have any employees (remunerated by the Company), the Company considers that the functions that would typically be performed by a remuneration and nomination committee are best under taken by the Board.
- 5.2 The Board has established an audit and risk committee to assist it in carrying out its responsibilities including those set out in paragraph 4, to share detailed work and to consider certain issues and functions in detail. The operations of that committee are governed by the Audit and Risk Committee Charter.
- 5.3 The Board may establish other committees in the future to assist it in carrying out its functions.
- 5.4 The charter of each Board committee setting out matters relevant to the composition, responsibilities and administration of the relevant committee must be approved by resolution of the Board. Each committee will review its charter from time to time as appropriate.
- 5.5 The Board may also delegate, at its absolute discretion, specific functions to ad-hoc committees on an 'as needs' basis.

## 6. Chair

- 6.1 The Chair of the Board is appointed by the directors.
- 6.2 The Chair may be an independent non-executive director.

6.3 The responsibilities of the Chair include, among other things:

- (a) leading the Board, facilitating the effective contribution and ongoing development of all directors, promoting constructive and respectful relations between directors and between the Board, Management (if any) and the Manager and its representatives;
- (b) promoting the efficient organisation and conduct of the Board's functions;
- (c) seeking to ensure the Board considers and adopts strategies designed to meet present and future needs of the Company;
- (d) seeking to ensure the Board has an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- (e) monitoring the performance of the Board;
- (f) facilitating Board discussions to ensure core issues facing the Company are addressed;
- (g) briefing all directors in relation to issues arising at Board meetings;
- (h) seeking to ensure the Board regularly meets to consider the Company's performance and key issues facing it;
- (i) setting the agenda for the Board meetings after consulting with the Manager;
- (j) approving board agendas and ensuring that adequate time is available for discussion of all agenda items (including, but not limited to, strategic issues);
- (k) ensuring that the Board is given sufficient information in a form, timeframe and quality that will allow it to be effective in performing its functions, setting strategies, monitoring performance and discharging its duties; and
- (l) representing the Board, chairing general meetings and communicating the Board's position to shareholders and the public.

## 7. Manager, chief executive officer (if any) and executive team (if any)

7.1 The Board has determined, having regard to the nature of the Company's business activities, to delegate the day to day management of the Company's affairs to the Manager who the Board has been appointed to manage all of the assets of the Company on behalf of the Company and to undertake, on behalf of the Company, the management and administrative tasks set out in the Management Agreement.

7.2 While the Manager remains appointed to manage the assets of the Company pursuant to the terms of the Management Agreement, the Company will not have an internal executive or compliance team on the basis that the tasks that would typically be undertaken by those teams will be undertaken by appropriate teams within the Manager on behalf of the Company.

7.3 The Board has in place procedures to regularly assess the performance of the Manager.

## 8. Non-executive directors

The independent non-executive directors (unless such director is conflicted in regard to the matter) should consider the benefits of conferring regularly without Management present, including at scheduled sessions or as otherwise required by the circumstances.

## 9. Company Secretary

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

9.2 The responsibilities of the Company Secretary include, among other things:

- (a) advising the Board and the Board committees on governance matters;
- (b) monitoring that Board and Board committee policies and procedures are being followed;
- (c) coordinating the timely completion and despatch of Board and Board committee papers;

- (d) ensuring that business at Board and Board committee meetings is accurately captured in the minutes of such meetings; and
- (e) assisting with the organisation and facilitation of induction and professional development of the Company's directors.

## 10. Conflicts

### 10.1 Directors must:

- (a) disclose to the Board any actual or potential conflict of interest or duty, or matter that may bear on their independence, that might reasonably be thought to exist as soon as the situation arises;
- (b) take all necessary and reasonable action to resolve or avoid any actual or potential conflict of interest or duty; and
- (c) comply with all applicable laws and the Company's constitution in relation to disclosing material personal interests and restrictions on voting.

10.2 If a conflict exists, it is expected that any director to whom the conflict relates will recuse himself or herself when the Board is discussing any matter to which the conflict relates.

10.3 Directors are expected to inform the Chair of any proposed appointment to the board or executive team of another company as soon as practicable.

## 11. Access to information and independent advice by directors

11.1 Directors have access to any information that they consider necessary to fulfil their responsibilities and to exercise independent judgment when making decisions.

### 11.2 Directors have access to:

- (a) the Manager and Management to seek explanations and information from the Manager and Management; and
- (b) auditors to seek explanations and information from them without Management being present.

11.3 At the expense of the Company, directors may seek any independent professional advice that they consider necessary to fulfil their responsibilities and to exercise independent judgment when making decisions in accordance with the procedure agreed by the directors.

11.4 If the Chair consents, the Company will pay a director's costs of seeking independent professional advice. That consent may not be unreasonably withheld or delayed.

11.5 Directors are entitled to receive appropriate professional development opportunities and maintain the skills and knowledge needed to perform their role as director effectively. The Board will consider what is appropriate in this regard and the costs of such professional development must be reasonable when considered against the Company's corporate strategy and business plan.

11.6 Any such advice received will be provided to the whole Board.

## 12. Size of the Board and Board vacancies

12.1 All directors are expected to continue as directors only for so long as they have the confidence of their fellow Board members and the confidence of the Company's shareholders.

12.2 In accordance with the ASX Listing Rules, no director except a managing director is permitted to hold office for a continuous period in excess of three years or past the third annual general meeting following that director's appointment, whichever is the longer, without submitting himself or herself for re-election.

12.3 The Board will consider the appointment of a director as and when a vacancy arises in accordance with the following considerations:

- (a) the skills, expertise and experience of any proposed director;

- (b) the relevance and appropriateness of these skills, expertise and experience when compared to those of the current Board;
  - (c) the terms of appointment must be recorded in a letter of appointment taking into consideration the ASX Recommendations, and if appointed this will form the basis of the written agreement between the Company and the director; and
  - (d) the results of any background check which the Board undertakes.
- 12.4 The Company Secretary is responsible for arranging for a new director to undertake an induction program to enable them to gain an understanding of:
- (a) the Company's investments;
  - (b) the Company's financial, strategic, operational and risk management position;
  - (c) their rights, duties and responsibilities; and
  - (d) any other relevant information.

As part of this induction program, a new director will meet with all incumbent directors (if this has not already taken place).

### 13. Communication of information

The Board has adopted a communications strategy to facilitate and promote effective communication with all stakeholders and to encourage shareholder participation at general meetings.

### 14. Language of directors

If a director of the Company who is not fluent in the language in which Board meetings or general meetings of shareholders are held or in the language in which key documents of the Company are written, the Company will ensure such meetings and documents are translated into the language the relevant director understands so that the relevant director can contribute to the discussions at those meetings and is able to understand, and discharge, their obligations in relation to key documents of the Company.

### 15. Review of charters

Board and board committee charters will be reviewed every two (2) years or as often as it considers necessary.

### 16. Approved and adopted

This charter was approved and adopted by the Board on 27 April 2020.