

# Board Charter

VGI Partners Limited ACN 129 188 450

## 1. Introduction

- 1.1 This is the charter of the board of directors of VGI Partners Limited ACN 129 188 450 (**Company** and together with its controlled entities, 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 Group and effective oversight of the executive committee of the Group (**Executive Committee**) and the broader management team of the Group (**Management**).
- 1.4 This charter is supported by the Group's code of conduct, the charters for the Board's nomination and remuneration committee and its audit and risk committee, and the Group'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 and the current maximum number of directors is eight.
- 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 Executive Committee 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 the Executive Committee and Management and exercise independent judgment.
- 2.5 The Board will determine the number of independent directors 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 and the duties which they owe to the Company.

### 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 2.4** 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 Group 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;
- (g) diversity;
- (h) legal and regulatory knowledge and understanding of the regulatory environment in which the Group 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 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 operations of the Group, including providing leadership, defining the Group's purpose and setting its strategic objectives, and overseeing the Executive Committee and Management's implementation of such strategic objectives and its performance generally;
  - (b) approving the Company's statement of core values and code of conduct which underpin the desired culture within the Group;
  - (c) appointing and removing the Chief Executive Officer (**CEO**), Chief Financial Officer (**CFO**) and Chief Operating Officer (**COO**) of the Group;
  - (d) appointing and removing the chair of the Board (**Chair**);
  - (e) appointing and removing the company secretary of the Company (**Company Secretary**);
  - (f) where appropriate, ratifying organisational changes and approving remuneration policies and practices in order to ensure that they are aligned with the Group's purpose, values, strategic objectives and risk appetite;
  - (g) approving succession plans for the Executive Committee and Management;
  - (h) monitoring and evaluating senior executives' performance and implementation of strategy, and ensuring appropriate remuneration policies and practices are in place for executive and non-executive directors and senior management;
  - (i) approving the Company's proposed annual budget;
  - (j) determining dividend payments and the financing of the same;
  - (k) approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestitures;
  - (l) approving and monitoring corporate, financial and other reporting systems, including external audit, and overseeing their integrity;
  - (m) monitoring and appraising financial performance including the approval of annual and half year financial reports and liaising with the Company's auditors;
  - (n) reviewing and monitoring any related party transactions and, where the Company's shareholders are asked to approve such related party transactions, determining whether to recommend their approval to the Company's shareholders (where such recommendation is permitted by applicable laws and the ASX Listing Rules);
  - (o) 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;
  - (p) setting the risk appetite within which the Board expects the Executive Committee and Management to operate;
  - (q) reviewing performance, operations and compliance reports from the CEO and executive team, including reports and updates on strategic issues and risk management matters;
  - (r) reviewing and overseeing compliance with the Group'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 Group's operations;
  - (s) 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;
  - (t) reviewing and overseeing the implementation of the Company's code of conduct for directors and all other employees of the Company;
  - (u) approving the charters of the various Board committees;

- (v) 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;
  - (w) 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 Group's governance practices;
  - (x) adopting appropriate procedures to ensure compliance with all laws, governmental regulations and accounting standards, 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 in accordance with all legal and regulatory requirements; 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. Notwithstanding **paragraph 7** below, the Board may at any time remove or modify any powers delegated to the Executive Committee including as set out in **paragraph 7**.
- 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, CFO and COO;
  - (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 Group;
  - (h) approval of major capital expenditure, acquisitions and divestitures in excess of authority levels delegated to the Executive Committee;
  - (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 Board has established the following committees to assist it in carrying out its responsibilities including those set out in **paragraph 4**, to share detailed work and consider certain issues and functions in detail:
- (a) audit and risk committee; and
  - (b) nomination and remuneration committee.
- 5.2 The charter of each Board committee setting out matters relevant to the composition, responsibilities and administration of the relevant committee must be approved by a resolution of the Board. The Board will review the charter of each committee in accordance with **paragraph 15**.
- 5.3 The Board may establish other committees in the future to assist it in carrying out its functions.
- 5.4 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, the Executive Committee and Management;
- (b) setting the agenda for Board meetings and ensuring that adequate time is available for discussion of all agenda items (including, but not limited to, strategic issues);
- (c) 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
- (d) representing the Board, chairing general meetings and communicating the Board's position to the Company's shareholders and the public.

## 7. Delegation to the Executive Committee

- 7.1 Subject to **paragraph 4.5**, responsibility for day-to-day management and administration of the Group is delegated by the Board to the Executive Committee.
- 7.2 The Executive Committee manages the Group in accordance with the strategy, plans and policies approved by the Board.
- 7.3 The responsibilities of the Executive Committee include, among other things:
- (a) developing and recommending to the Board strategies, business plans and annual budgets for the Group, and implementing those strategies, business plans and budgets once adopted by the Board;
  - (b) providing effective leadership, direction and supervision of Management and the Company's personnel to achieve the strategies, business plans and budgets adopted by the Board;
  - (c) ensuring compliance with all applicable laws and regulations;
  - (d) 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
  - (e) acting within authority delegated by the Board.
- 7.4 The Board has in place procedures to regularly assess the performance of the Executive Committee.

## 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 the Executive Committee or 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 Executive Committee and Management to seek explanations and information; and
- (b) auditors to seek explanations and information from them without the Executive Committee and Management being present.

11.3 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 The Company will pay a director's costs of seeking such advice if the Chair provides his or her consent, or in the case of the Chair, the chair of the audit and risk committee provides his or her consent. That consent may not be unreasonably withheld or delayed.

11.5 Any such advice received will be provided to the whole Board (except in circumstances of competing interests between the relevant director and the Company or the relevant director and other directors).

11.6 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.

## 12. Board renewal

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 and will have regard to the following, among other things:

- (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 gender diversity mix and where applicable, the gender diversity targets set by the Board; and
  - (d) the results of any background checks which the Board undertakes.
- 12.4 All directors on appointment are offered an induction program to enable them to gain an understanding of the Company's business, strategy and any current issues before the Board. The induction program includes meeting with all incumbent directors (if this has not already taken place), the Executive Committee, Management and the Company Secretary.

### 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 Group 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 Group.

### 15. Review of charters

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

### 16. Approved and adopted

This charter was last reviewed and approved by the Board on 1 November 2021.