



# **BOARD CHARTER**

**WHITE ENERGY COMPANY LIMITED  
ACN 071 527 083**

**1 JULY 2020**



## Contents

1	Introduction and purpose.....	3
2	Role and responsibilities of the Board.....	3
3	Role and responsibilities of the Chair.....	5
4	Role and responsibilities of the Company Secretary.....	6
5	Delegation of Authority.....	7
6	Membership.....	7
7	Board process.....	9
8	Review and publication of Charter.....	10
9	Material Revisions.....	10



## **BOARD CHARTER**

### **1 INTRODUCTION AND PURPOSE**

The purpose of this Board Charter (**Charter**) is to specify how White Energy Company Limited (Company) is governed so as to promote the Company and protect the interests of shareholders.

The Board is responsible for the governance of the Company. This Charter sets out the role and responsibilities of the Board, which responsibilities are delegated to committees of the Board or to management, as well as the membership and the operation of the Board.

### **2 ROLE AND RESPONSIBILITIES OF THE BOARD**

#### **2.1 Role**

The role of the Board is to provide leadership, strategic guidance for the Company, delivery of the Company's purpose and effective oversight of management. The Board ensures that the activities of the Company comply with its constitution, from which the Board derives its authority to act, and with all legal and regulatory requirements.

To achieve this role, the Board has reserved to itself the following specific responsibilities.

#### **2.2 Strategy**

The Board is responsible for:

- (a) overseeing the development of the Company's corporate strategy through constructive engagement with senior management;
- (b) reviewing and approving strategy plans and performance objectives of the Company consistent with the corporate strategy and reviewing the assumptions and rationale underlying the strategy plans and performance objectives; and
- (c) monitoring implementation of the strategy plans.

#### **2.3 Oversight of management**

The Board is responsible for:

- (a) the appointment and if appropriate, removal of the Chief Executive Officer ("CEO"), the Chief Financial Officer and the Company Secretary;
- (b) approving succession plans for key individuals;
- (c) monitoring senior management's performance and implementation of strategy against measurable and qualitative indicators, encouraging enhanced effectiveness and ensuring that appropriate resources are available, including annually reporting the process and whether this process was undertaken in the reporting period;



- (d) approving senior management remuneration policies and practices;
- (e) providing advice and counsel to management;
- (f) whenever required, challenging management and holding it to account; and
- (g) ensuring that senior management supplies the Board with information that will help the Board discharge its duties.

## **2.4 Continuous Disclosure**

The Board is responsible for 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 effect on the price or value of the Company's securities.

## **2.5 Shareholders**

The Board is responsible for:

- (a) ensuring effective communication with shareholders, including convening shareholders' meetings, listening and responding to shareholders views of management and on the Company;
- (b) facilitating the effective exercise of shareholders' rights; and
- (c) reporting to shareholders and ensuring that all regulatory requirements are met.

## **2.6 Other stakeholders**

The Board is responsible for:

- (a) establishing and monitoring policies governing the Company's relationship with other stakeholders and the broader community; and
- (b) establishing and maintaining environmental, employment and occupational, health and safety policies.

## **2.7 Ethics**

The Board is responsible for:

- (a) actively promoting ethical and responsible decision-making;
- (b) establishing and maintaining the Company's Code of Conduct to guide its directors, management and employees in the practices necessary to maintain confidence in the Company's integrity; and
- (c) the system of accountability for unethical practices.



## **2.8 Oversight of financial management and capital management**

The Board is responsible for:

- (a) reviewing and approving annual, interim, quarterly activity and cash flow reports;
- (b) monitoring financial results on an ongoing basis;
- (c) overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit;
- (d) considering recommendations of the Audit Committee on seeking shareholders' approval for the appointment and removal of the Company's external auditor;
- (e) reviewing, approving and monitoring the Company's operating budgets, the progress of major capital expenditure, capital management, major acquisitions and divestitures and material commitments;
- (f) approving decisions affecting the capital of the Company, including capital structure or restructure and major financing arrangements; and
- (g) determining the dividend policy of the Company and declaring dividends.

## **2.9 Compliance and risk management**

The Board is responsible for:

- (a) establishing and overseeing the integrity of the Company's control and accountability systems and reviewing reporting under those systems;
- (b) establishing, overseeing and regularly reviewing the Company's risk management framework for identifying, analysing, evaluating, treating and monitoring material risk throughout the Company, and informing investors of material changes to the Company's risk profile;
- (c) establishing, overseeing and regularly reviewing systems of internal compliance, risk management and control, and systems of legal compliance that govern the operations of the Company, and ensuring they are operating effectively; and
- (d) establishing, overseeing and regularly reviewing written policies, codes and procedures governing compliance, risk oversight and management.

## **3 ROLE AND RESPONSIBILITIES OF THE CHAIR**

### **3.1 Chair**

The Chair is a non-executive director appointed by the Board. The Chair is responsible for:

- (a) leading the Board and overseeing the processes for the Board's performance of its role in accordance with this Charter;



- (b) chairing Board meetings and shareholder meetings;
- (c) ensuring the efficient organisation and conduct of the Board's function;
- (d) liaising with the CEO in relation to the Board's information requirements to assist the Board with effective decision making;
- (e) setting the agenda together with the CEO and the Company Secretary, ensuring that appropriate time and attention is devoted to matters within the responsibilities of the Board;
- (f) facilitating effective contribution by all directors and monitoring Board performance;
- (g) overseeing that membership of the Board is skilled and appropriate for the Company's needs;
- (h) promoting constructive relations between Board members and between the Board and management; and
- (i) establishing and overseeing the implementation of policies and systems for Board performance review and renewal.

## **4 ROLE AND RESPONSIBILITIES OF THE COMPANY SECRETARY**

### **4.1 Company Secretary**

The Company Secretary acts as secretary of the Board, attending all meetings of the Board as required. The Company Secretary is accountable to the Board through the Chair on matters relating to the proper function of the Board.

The Company Secretary is responsible for but not limited to:

- (a) advising the Board and its committees on governance matters;
- (b) organising Board meetings and director attendance;
- (c) monitoring compliance with Board policy and procedures;
- (d) coordinating the timely completion and despatch of Board and committee papers;
- (e) ensuring that the business at Board and committee meetings is accurately captured in the minutes;
- (f) helping to organise and facilitate the induction and professional development of directors; and
- (g) ensuring the Company complies with its requirements under the Corporations Act regarding registered office, annual returns and notices to be lodged with the Australian Securities and Investments Commission.

All directors have direct access to the Company Secretary.



## **5 DELEGATION OF AUTHORITY**

### **5.1 Delegations to committees**

Under its constitution, the Board may delegate responsibility to committees to consider certain issues in further detail and then report back to and advise the Board.

Standing committees established by the Board will adopt charters setting out the authority, responsibilities, membership and operation of the committee. There are currently two standing committees:

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

The Company may establish other committees from time to time to consider other matters of special importance.

Directors are entitled to attend committee meetings and receive committee papers. Committees will maintain minutes of their meetings and are entitled to obtain professional or other advice in order to effectively carry out their proper functions. The Chair of each committee will report back on committee meetings to the Board at the next full Board meeting.

### **5.2 Delegation to CEO and management**

The Board has delegated to the CEO the authority to manage the day to day affairs of the Company and the authority to control the affairs of the Company in relation to all matters other than those responsibilities reserved to itself in this Charter.

The CEO is responsible for ensuring the timely preparation, presentation, adequacy and integrity of information provided to the Board, to enable the Board to carry out its responsibilities.

The Board may impose further specific limits on CEO delegations. This may be reviewed by the Board as appropriate from time to time.

The CEO has authority to sub-delegate to the senior management team.

## **6 MEMBERSHIP**

### **6.1 Composition and size**

The Board may consist of non-executive, executive, independent and non-independent directors. The Chair of the Board will be appointed by the directors.

The directors will determine the size of the Board, subject to the Company's constitution, which provides that there can be no less than three directors. The number of directors and the composition of the Board must at all times be appropriate to the Company to achieve efficient decision making.



The Company will seek to have directors with an appropriate range of skills, experience and expertise and an understanding of and competence to deal with current and emerging issues of the business. The Company's succession plans are designed to maintain an appropriate balance of skills, experience and expertise on the Board.

## **6.2 Appointment and re-election of directors**

The process of selection and appointment of new directors to the Board is that when a vacancy arises, the Nomination and Remuneration Committee identifies candidates with appropriate skills, experience and expertise. Candidates with the skills, experience and expertise that best complement the Board's effectiveness will be recommended to the Board. When the Board considers that a suitable candidate has been found, that person is appointed by the Board to fill a casual vacancy in accordance with the Company's constitution, but must stand for election by shareholders at the next annual general meeting.

Non executive directors will be engaged by a letter of appointment setting out the terms and conditions of their appointment.

All non executive directors must undertake an induction program upon joining the Board. This will include meeting with members of the existing Board, Company Secretary, management and other relevant executives to familiarise themselves with the Company, its procedures and prudential requirements, and Board practices and procedures.

Directors must retire from office in accordance with the constitution. Retiring directors may be eligible for re-election.

## **6.3 Independence**

A director is considered independent by the Company if the director is independent of management and free of any business or other relationship that could materially interfere with the exercise of their unfettered and independent judgment or be perceived to do so.

The Board will regularly assess the independence of each director in light of the interests disclosed by them. Each independent director must provide the Board with all relevant information for this. The outcome of this assessment will be reflected in the corporate governance section of the annual report.

## **6.4 Conduct of individual directors**

Directors must at all times act in accordance with legal and statutory requirements, and discharge all their duties as directors. Directors must:

- (a) discharge their duties in good faith and in the best interests of the Company and for a proper purpose;
- (b) act with care and diligence, demonstrate commercial reasonableness in their decision making and act with the level of skill and care expected of a director of a major company;
- (c) avoid conflicts of interest except in those circumstances permitted by the Corporations Act;
- (d) not make improper use of information gained through their position as a director;





- (e) not take improper advantage of their position as a director;
- (f) notify other directors of a material personal interest when a conflict arises;
- (g) make reasonable enquiries if relying on information or advice provided by others;
- (h) undertake any necessary inquiries in respect of delegates;
- (i) give the Company or ASX Limited all the information required by the Corporations Act; and
- (j) not permit the Company to engage in insolvent trading.

## **7 BOARD PROCESS**

### **7.1 Meetings**

All Board meetings will be conducted in accordance with the Company's constitution and the Corporations Act.

Directors are committed to collective decision making, but have a duty to question and raise any issues of concern to them. Matters are to be debated openly and constructively amongst the directors. Individual directors must utilise their particular skills, experience and knowledge when discussing matters at Board meetings.

Directors must keep Board discussions and resolutions confidential, except where they are required to be disclosed.

All directors are generally expected to prepare adequately, attend and participate at each Board meeting. Non-executive directors will periodically meet without executive directors or management present.

The Board may request or invite management or external consultants to attend Board meetings, where necessary or desirable.

The Board may conduct meetings by telephone or video conference.

### **7.2 Independent professional advice**

Following consultation with the Chair, directors may seek independent professional advice at the Company's expense when necessary to discharge their responsibilities as directors. Generally, this advice will be available to all directors.

### **7.3 Access to management**

The directors have complete and open access to senior management and may make any enquiries to fulfil their responsibilities.



## 8 REVIEW AND PUBLICATION OF CHARTER

The Board is responsible for reviewing this Charter and the division of functions and responsibilities in the Company to determine its appropriateness to the needs of the Company from time to time. The Charter may be amended by resolution of the Board.

## 9 MATERIAL REVISIONS

Version	Approval Date	Effective Date	Details
1.0	1 September 2009	1 September 2009	Policy approved by White Energy Company Limited Board.
2.0	29 May 2020	1 July 2020	Policy approved by White Energy Company Limited Board.