



# Board Charter

## Table of Contents

1 Authority .....	3
2 Board Structure .....	3
3 Board Role and Responsibility.....	4
4 Board delegations.....	6
5 Role of the Chair .....	6
6 Role of Individual Directors .....	6
7 Role of the Chief Executive Officer .....	7
8 Role of the Company Secretary.....	7
9 Role of the Chief Financial Officer.....	8

## 1 Authority

The board of directors (**Board**) is responsible for the overall governance of Integrated Payment Technologies Limited and its subsidiary companies (**Company** or **IP1**). This Board Charter (**Charter**) sets out those matters reserved to the Board, unless otherwise delegated to management.

## 2 Board Structure

The Board has responsibility for the following:

### 2.1 Board size and composition

- Determine the number and composition of the Board, subject to the requirements of the Company's Constitution;
- Identify and evaluate possible future directors;
- Appoint directors to fill casual vacancies.

### 2.2 Board independence and performance

- Assess the independence of individual non-executive directors;
- Monitor dealings in securities by directors;
- Monitor declarations of interest by directors;
- Evaluate the performance of the Board, the Board Committees and individual directors.

### 2.3 Board Skills

- Ensure that the Board has the appropriate level of skills and experience required to fulfil its responsibilities;
- Review the mix of skills and experience of its directors on a regular basis to ensure that they have operational/technical expertise relevant to the Company.

### 2.4 Chair

- Appoint the Chair of the Board;
- Ensure that the roles of Chair and CEO are not exercised by the same individual.

### 2.5 Board Committees

- Determine the terms of reference and scope of authority of the following Board Committees (**Committees**):
  - Audit, Risk and Compliance Committee;
  - Remuneration and Nomination Committee.
- Determine the membership and composition of the Committees;
- Determine the Committees' reporting obligations.

## 2.6 The business of the Board and Board Committees

Determine the frequency, duration and agendas of the Board and Committee meetings. Meetings are to be conducted pursuant to the requirements of the Company's Constitution and where the Constitution is silent, in accordance with the Corporations Act.

## 2.7 Independent Professional Advice

Directors are entitled to obtain independent professional advice at the reasonable expense of the Company in the proper performance of their duties.

# 3 Board Role and Responsibility

The Board is responsible for:

### 3.1 Strategy

- Appraising and enhancing strategic direction for the Company;
- Input into and final approval of management's development of business strategies consistent with the Company's policies and strategic direction, including the:
  - three-year strategic plan; and
  - 12-month operating plan for the Company;
- Approving significant corporate strategic initiatives;
- Allocation of resources;
- Succession planning.

### 3.2 Finance

- Continuously monitoring and overseeing the Company's financial position;
- Monitoring financial results and general performance against the operating plan objectives;
- Approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestitures;
- Approve IP1's budget on an annual basis;
- Determine the amount, nature and timing of dividends to be paid;
- Make determinations concerning the capital structure of the Company (allotment of new capital, share buy-backs, changes of capital structure and capital raising);
- Consider and approve the interim and final financial statements and annual report.

### 3.3 Auditors

- Approve management's selection of external auditor and their appointment;

- Determine the duration, remuneration and terms of appointment of the Company's auditors;
- Evaluate the performance of the Company's auditors.

#### 3.4 Management Oversight:

- Appointing and removing the Chief Executive Officer,
- Ratifying the appointment and, where appropriate, the removal of the Chief Financial Officer and Company Secretary;
- Regularly evaluating the performance of the Chief Executive Officer, Chief Financial Officer and Company Secretary and determining their remuneration;
- Developing and maintaining a succession plan for the roles of Chief Executive Officer, Chief Financial Officer and Company Secretary;
- Monitoring senior managements' performance, instilling of the Company's values and implementation of strategy, and ensuring appropriate resources are available.

#### 3.5 Risk Management

- Consider and approve the Company's risk management strategy having regard to the recommendations of the Chief Executive Officer and Audit, Risk and Compliance Committee;
- Monitor and regularly review the adequacy of risk management systems (for both financial and non-financial risks); and
- Satisfy itself that appropriate internal control mechanisms are in place and are being implemented;

#### 3.6 Company Policies - establishing and monitoring the policies of the Company, including, but not limited to:

- Code of Conduct (refer, Code of Conduct)
  - ensuring that the conduct of the Company and its officers is legally and ethically of the highest order; and
  - working practices reflect this conduct;
- Risk Management (refer, Risk Management Policy)
- Disclosure Policies - policies and procedures to ensure compliance with the law, to communicate effectively with shareholders, (refer, Continuous Disclosure Policy).

#### 3.7 Internal Governance

- Determine the scope of authority (and any limits on that authority) which is delegated to the Chief Executive Officer or any other officer;
- Approve policies for appointments to the Boards of entities which are controlled by the Company;
- Satisfy itself that an appropriate framework exists for relevant information to be reported by management to the Board; and
- Whenever required, challenging management and holding it to account.

#### 3.8 Self Assessment

The Board shall assess its effectiveness annually, with a view to ensuring that its performance accords with best practice. The Board Charter shall be reviewed

annually to ensure its adequacy for the commercial and regulatory purposes of the Company.

## 4 Board delegations

The Board delegates responsibility for implementing the strategic direction and managing the day to day operations to the Chief Executive Officer. There are clear lines of communication established between the Chair and Chief Executive Officer to ensure that the responsibilities and accountabilities of each are clearly understood. The Chief Executive Officer (and other senior management) have contracts setting out their duties, responsibilities and conditions of service and termination entitlements.

## 5 Role of the Chair

The role of the Chair includes:

- 5.1 Ensuring the Board provides leadership and vision;
- 5.2 Establishing the Board agenda;
- 5.3 Presiding over Board meetings and directing Board discussions to effectively use the time available to address the critical issues facing the entity;
- 5.4 Ensuring Board minutes properly reflect Board decisions;
- 5.5 Making certain that the Board has the necessary information to undertake effective decision making and actions;
- 5.6 Developing an on-going relationship with the Chief Executive Officer – the Chair should be kept fully informed of the day-to-day matters of interest to the Directors;
- 5.7 Commence the annual process of Board and Director evaluation;
- 5.8 Selection and nomination of Directors (as part of the Remuneration and Nomination Committee);
- 5.9 Guiding the ongoing effectiveness and development of the Board and individual Directors.

## 6 Role of Individual Directors

The role of individual Directors, in conjunction with their statutory and common law duties, includes:

- 6.1 Discharging their duties in good faith and honestly in the best interests of the Company with the level of skill expected;
- 6.2 Using the powers of office for proper purpose, in the best interests of the Company as a whole;
- 6.3 Acting with required care and diligence, demonstrating commercial reasonableness in their decisions;
- 6.4 Avoiding conflicts of interest;

- 6.5 Not make improper use of information gained through their position as Director;
- 6.6 Not allowing personal interests, or the interest of any associated person, to conflict with the interests of the Company;
- 6.7 Making reasonable inquiries to ensure that the Company is operating efficiently, effectively and legally towards its goals;
- 6.8 Undertaking diligent analysis of all proposals placed before the Board;
- 6.9 Serving on Committees as required.

## 7 Role of the Chief Executive Officer

The Chief Executive Officer is responsible to the Board for the overall management and performance of the Company. The role includes:

- 7.1 Taking and approving any and all actions and initiatives required to deliver the Company's strategic and operational plans as approved by the Board;
- 7.2 Ensuring transactions outside the Chief Executive Officer's delegation levels are referred to the Board for approval;
- 7.3 Taking actions and initiatives to instil and reinforce the Company's values;
- 7.4 Ensuring the Board is provided with accurate, timely and clear information on the Company's operations to enable the Board to perform its responsibilities;
- 7.5 Ensuring that all actions comply with the Company's policies in force from time to time; and
- 7.6 Other responsibilities as delegated by the Board to the Chief Executive Officer.

## 8 Role of the Company Secretary

The Company Secretary is generally responsible for carrying out the administrative and legislative requirements of the Board as follows:

- 8.1 Ensuring that the Board agenda is developed in a timely and effective manner for review and approval by the Chair;
- 8.2 Coordinating, organising and attending meetings of the Board and shareholders, and ensuring that correct procedures are followed;
- 8.3 Drafting and maintaining minutes of Board and Committee meetings;
- 8.4 In conjunction with the Chief Executive Officer and other senior management, carrying out the instructions of the Board and giving practical effect to the Board's decisions; and
- 8.5 Working with the Chair and the Chief Executive Officer to establish and deliver best practice governance.

## 9 Role of the Chief Financial Officer

The Chief Financial Officer is responsible to the Board for the overall financial performance of the Company. The role includes:

- 9.1 Taking and approving any and all actions and initiatives required to deliver the Company's financial strategy as approved by the Board;
- 9.2 Ensuring that the appropriate financial controls are in place;
- 9.3 Liaising with the auditors and ensuring that the scope of the audit is appropriate for the financial requirements of the group entity;
- 9.4 Meeting statutory reporting requirements in accordance with relevant legislation for financial matters; and
- 9.5 Other responsibilities as delegated by the Board to the Chief Financial Officer.