



## TALi Digital Limited Board Charter

### Purpose and Role of Board

#### 1. Responsibilities

TALi Digital Limited (**TALi**) Board of Directors (**Board**), acting on behalf of TALi shareholders with the aim of increasing shareholder value through performance maximisation, is responsible for:

- (i) establishing the direction, strategies and financial objectives of TALi and overseeing the implementation of them by management and employees;
- (ii) overseeing compliance with the Corporations Act, ASX Listing Rules, Accounting Standards and other state and federal legislation and ethical standards expected by the community;
- (iii) appointing, reviewing the performance and, where appropriate termination, of the Managing Director and Chief Operating Officer (**CEO**);
- (iv) establishing and overseeing the corporate governance framework and TALi Code of Conduct and ensuring that the business is conducted openly and ethically;
- (v) establishing committees and charters for committees and overseeing the compliance of the committees with their charters;
- (vi) establishing and maintaining a policy and procedures for the effective management of risk throughout TALi;
- (vii) establishing and maintaining policies and procedures designed to ensure the safety of all employees and contractors working on, and all visitors to, all TALi sites; and
- (viii) taking all reasonable steps to ensure that TALi's financial and other internal reporting mechanisms result in adequate, accurate and timely information being provided to the Board and that shareholders and the financial markets as a whole are informed of all material developments.

#### 2. Manner to act

The Board will at all times when performing the responsibilities set out above:

- (i) act in a manner that is designed to create and build sustainable value for shareholders;
- (ii) act in accordance with the TALi Constitution and law; and
- (iii) act fairly, honestly, diligently and in accordance with the law in securing the interests of TALi's shareholders, employees, customers and the community in general.

#### 3. Disclosure of interests

A director must disclose to the Board:

- (i) any material personal interest that he or she or any associate may have in a matter that relates to TALi; and
- (ii) any other interest or relationship that may affect the director's independence.

Notice of any such interest may be a standing notice.

## **Powers**

Powers specifically reserved for the Board in addition to those required by law are:

- (i) Appointment of the CEO and determination of the CEO's terms and conditions of employment, including remuneration, and subject to shareholder approval if required by the ASX Listing Rules.
- (ii) Approval on the recommendation of the CEO of the appointment and remuneration of the direct reports to the CEO.
- (iii) All financial matters in excess of discretion delegated to the CEO.
- (iv) Annual approval of the strategic plan and budget.
- (v) The acquisition, establishment, disposal or cessation of any significant business or significant changes to organisational structures.
- (vi) The issue of, or change to ordinary shares, options, equity investments or other TALi security.
- (vii) Public statements which reflect significant issues of TALi policy or strategy.
- (viii) All changes to delegated discretion of the Board.

## **Specific Responsibilities**

The Board has a specific responsibility to:

- (i) Oversee and assess management's performance against approved strategies and budgets.
- (ii) Set criteria and evaluate each year the performance of the CEO.
- (iii) Ensure the structure of management is adequate to run the business.
- (iv) Review the size and composition of the Board and assess the necessary and desirable competencies of Board members.
- (v) Recommend the appointment and reappointment of directors.
- (vi) Evaluate the performance of the Board.
- (vii) Review Board and senior management succession plans.
- (viii) Ensure the adequacy of the Company's insurance program and the scope and terms of the annual renewal.

## **Delegated Authority**

Except for the areas specifically reserved for the Board set out above, the Board will delegate the day today management of TALi to the CEO and permit the CEO to delegate some of his responsibilities to other management as appropriate.

## **Board Memberships**

- (i) The Board will have a minimum of three directors (or such number as determined by the Company's Constitution) and comprise a majority of independent non-executive directors.
- (ii) The Chair of the Board will always be an independent non-executive director.
- (iii) Executive directors must resign from the Board when they cease to occupy their executive position within TALi.

## **Director Independence**

- (i) A majority of the directors should be independent.
- (ii) The Board will determine on appointment and as necessary if a director is independent in accordance with its assessment process to determine if a director is independent and free from extraneous influences which could materially interfere with independent judgment.
- (iii) The Board will consider the particular circumstances, attributes, interests and relationships of each director and reach an objective conclusion about each director's status.
- (iv) The Board will also have regard to a list of criteria and other relationships which are contained in the ASX Guidelines and associated commentary as being relevant indicators of independence (or lack of it).

## **Meetings**

- (i) Structured Board meetings with agenda and papers should be held as often as necessary to monitor the management of TALi.
- (ii) Board and committee papers should where possible be provided to directors at least 4 days prior to meetings.
- (iii) Non-executive directors should meet alone at least twice a year to discuss management issues.

## **Board Committees**

- (i) The Board may from time to time establish committees to assist it to carry out its responsibilities and will adopt charters setting out the composition, responsibilities and administration of such committees.
- (ii) As a minimum, the Board will establish an Audit and Risk Committee and Remuneration Committee.

## **Self Assessment**

The Board shall undertake annually an evaluation of itself that:

- (i) Compares the performance of the Board and committees against the requirement of their charters.
- (ii) Provides any improvement in the Board Charter deemed desirable.

The evaluation process will be managed by the Chair.

## **Chair**

The Chair is responsible for leadership of the Board, for ensuring that the Board functions effectively, and for communicating the views of the Board to the public. In performing this role, the Chair's responsibilities include:

- (i) setting the agenda of matters to be considered by the Board;
- (ii) managing the conduct, frequency and length of Board meetings so as to ensure that the Board maintains an in depth understanding of TALi's financial position and performance, and the opportunities and challenges facing TALi;
- (iii) facilitating open and constructive communications between Board members and encouraging their contribution to Board deliberations; and
- (iv) facilitating open and constructive discussions between the CEO and the Board.