



Board Charter

In carrying out the responsibilities and powers set out in this Charter of MACA Limited (“MACA” or the “Company”), the Board:

- recognises its overriding responsibility to act honestly, fairly, diligently and in accordance with the law in serving the interests of its shareholders; and
- recognises its duties and responsibilities to its employees, customers and the community.

1. THE SPECIFIC RESPONSIBILITIES OF THE BOARD

In addition to matters it is expressly required by law to approve, the Board has the following specific responsibilities:

- appointment of the Chair and a deputy chair and/or senior independent director;
- appointment of the Chief Executive Officer/Managing Director and other senior executives and the determination of their terms and conditions including remuneration and termination;
- defining the Company’s purpose and approving the core values and code of conduct that underpin the culture and overseeing management to instil these values;
- driving the strategic direction of the Company, ensuring appropriate resources are available to meet objectives and monitoring management’s performance;
- reviewing and ratifying the risk management framework of both financial and non-financial risks and setting the risk appetite under which the Board expects management to operate.
- approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- approving and monitoring the budget and the adequacy and integrity of financial and other reporting frameworks;
- approving the annual and half yearly accounts;
- monitoring the operational and financial performance and position of the Company, including health, safety and environmental performance
- approving significant changes to the organisational structure;
- approving the issue of any shares, options, equity instruments or other securities in the Company;
- 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 entity’s securities;
- ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making;
- recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them; and

- meeting with the external auditor without management being present.

2. COMPOSITION OF THE BOARD

- The composition of the Board is to be reviewed regularly to ensure the appropriate mix of skills, gender and expertise is present to facilitate successful strategic direction.
- In appointing new members to the Board, consideration is given to the ability of the appointee to contribute to the ongoing effectiveness of the Board, to exercise sound business judgement, to commit the necessary time to fulfil the requirements of the role effectively and to contribute to the development of the strategic direction of the Company.
- The board will undertake appropriate checks before appointing or putting forward to security holders a candidate for election, and will provide all security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.
- It is intended that at least 60% of the Board will be comprised of non-executive Directors and preferably independent non-executive Directors. An independent Director is one who is independent of management and free from any business or other relationship, which could, or could reasonably be perceived to, materially interfere with, the exercise of independent judgement. Independent Directors should meet the definition of what constitutes independence as set out in the ASX Corporate Governance guidelines.
- Directors must disclose their interests. The independence of the Directors should be regularly assessed by the Board in light of the interests disclosed by them.
- Directors are expected to bring their independent views and judgement to the Board and must declare immediately to the Board any potential or active conflicts of interest.
- Directors must declare immediately to the Board, and the Board will determine whether to declare to the market, any loss of independence.
- No member of the Board may serve for more than three years or past the third annual general meeting following their appointment, whichever is the longer, without being re-elected by the shareholders. A minimum one third of the board must also be put up for re-election on a per yearly basis.
- Prior to the Board proposing re-election of non-executive Directors, their performance will be evaluated by the Nomination Committee to ensure that they continue to contribute effectively to the Board.
- The Board should comprise Directors with a mix of qualifications, experience and expertise which will assist the Board in fulfilling its responsibilities, as well as assisting the Company in achieving growth and delivering value to shareholders.

3. THE ROLE OF THE CHAIRMAN

- The Chairman should be a non-executive Director. If a Chairman ceases to be an independent Director then the Board will consider appointing a lead independent Director.
- The Managing Director should not be the Chairman of the Company during his term as Managing Director or in the future.
- The Chairman must be able to commit the time to discharge the role effectively.

- The Chairman is responsible for the leadership of the Board, ensuring it is effective, setting the agenda of the Board, conducting the Board meetings and conducting the shareholder meetings.
- The Chairman should facilitate the effective contribution of all Directors and promote constructive and respectful relations between Board members and management.
- In the event that the Chairman is absent from a meeting of the Board then the Board shall appoint a Chairman for that meeting.

4. THE ROLE OF THE EXECUTIVE DIRECTORS

- An Executive Director will:
 - assume and exercise the powers and perform the duties from time to time vested in or assigned to him by the Board and will comply in all respects with the directions and regulations given or made by the Board;
 - faithfully serve the Company and use his or her best endeavours to promote its interests and welfare;
 - devote sufficient time and attention to the business of the Company during the normal working hours of the Company and at such other times as may be reasonably necessary; and
- The specific duties of an Executive Director include the following:
 - managing the business of the Company including, without limitation, implementing strategic and tactical plans and managing operational functions to achieve the Company's goals and outcomes; review and initiate continuous improvement in support and administrative functions; implement employment policies and development of an effective and valued performance management framework;
 - using his or her best endeavours to achieve the corporate objectives of the Company;
 - performing the obligations set out in any services agreement entered into between the Executive Director and the Company and using his or her best endeavours to ensure that the business of the Company is conducted in accordance with the policies, procedures and/or directions as notified from time to time by the Board to the Executive Director, including in accordance with the requirements of any approved budget or business plan;
 - formulating strategies to promote and improve the financial performance of the Company;
 - advising the Board in relation to all relevant issues affecting the Company and its performance, including, without limitation, relevant corporate governance issues;
 - ensuring the proper implementation of the Company's policies, procedures and systems; and
 - developing new opportunities and expanding the Company's current activities and market share.

5. BOARD COMMITTEES

- To assist the Board in fulfilling its duties, the Board may establish the following committees, each with written terms of reference:
 - Audit Committee;
 - Risk Committee;
 - Remuneration Committee; and
 - Nomination Committee.
- The charter of the Committees is approved by the Board and reviewed following any applicable regulatory changes.
- The Board will ensure that the Committees are sufficiently supported to enable them to fulfil their roles and discharge their responsibilities.
- Members of Committees are appointed by the Board. The Board may appoint additional Directors to Committees or remove and replace members of Committees by resolution.
- The minutes of each Committee meeting shall be provided to the Board at the next occasion the Board meets following approval of the minutes of such Committee meeting.

6. BOARD MEETINGS

- There must be two Directors present at a meeting to constitute a quorum.
- The Board will schedule formal Board meetings at least quarterly and hold additional meetings, including by telephone, as may be required.
- Non-executive Directors may confer at scheduled times without management being present.
- The minutes of each Board meeting shall be prepared by the Company Secretary, approved by the Chairman and circulated to Directors after each meeting.
- The Company Secretary shall distribute supporting papers for each meeting of the Board as far in advance as practicable.
- Minutes of meetings must be approved at the next Board meeting.

7. THE COMPANY SECRETARY

- When requested by the Board, the Company Secretary will facilitate the timely completion and despatch of information of the Board, between the Board and its Committees and between senior executives and non-executive Directors.
- The Company Secretary is to facilitate the induction of new Directors.
- The Company Secretary is to facilitate the implementation of Board policies and procedures.
- Ensuring that the business of the Board and committee meetings is accurately captured in the minutes.
- The Company Secretary is to provide advice to the Board, on corporate governance matters and law.
- Monitor that Board and Committee policy and procedures are followed.

- All Directors have access to the advice and services provided by the Company Secretary.
- The Company Secretary is directly accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board, and the Board has the responsibility for the appointment and removal of the Company Secretary.

8. ACCESS TO ADVICE

- All Directors have unrestricted access to company records and information except where the Board determines that such access would be adverse to the Company's interests.
- All Directors may consult management and employees as required to enable them to discharge their duties as Directors.
- The Board, Board Committees or individual Directors may seek independent external professional advice as considered necessary at the expense of the Company, subject to prior consultation with the Chairman. A copy of any such advice received is made available to all members of the Board.

9. THE BOARD'S RELATIONSHIP WITH MANAGEMENT

- The Board shall delegate responsibility for the day-to-day operations and administration of the Company to the Managing Director.
- In addition to formal reporting structures, members of the Board are encouraged to have direct communications with management and other employees within the Group to facilitate the carrying out of their duties as Directors.
- Where required the Board will challenge management and hold them to account.

10. PERFORMANCE REVIEW

The Nomination Committee shall conduct an annual performance review of the Board and senior executives that:

- compares the performance of the Board with the requirements of its Charter;
- critically reviews the mix of the Board; and
- suggests any amendments to the Charter as are deemed necessary or appropriate.

Board performance evaluation

On an annual basis, the Board and its committees shall conduct a formal review process, overseen by the Chairman. The performance of the Board is measured against the responsibilities and specific functions detailed in the Board Charter. Each individual director's performance and competence is evaluated as is their contribution to the Board. Board members are encouraged during this process to raise any matter, either positive or negative which they believe will contribute to the ongoing effectiveness of the Board.

The evaluation process will include a review of the professional development needs of the existing directors.

The performance of the Non-Executive Chairman is evaluated by the Board. Where a Director is due for re-election other Board members will participate in the review of that Director's performance prior to making a recommendation for re-election.

Board Committees performance evaluation

The performance of the various Board Committees is evaluated by the Chairman. The performance of each Committee is measured against the scope and responsibilities detailed in its Charter.

Senior Executives performance evaluation

The Board is responsible for the evaluation of the performance of the Managing Director. The Managing Director reviews the performance of the senior executives, in consultation with the Board. Each senior executive participates in a formal review process which assesses individual performance against predetermined objectives. The process is based on specific criteria, including alignment with the Company's purpose and core values, the business performance of the Company and its subsidiaries, whether strategic objectives and risk appetite are being achieved and the development of management and personnel.

The outcomes of the review are used as a basis for determining appropriate remuneration packages and these outcomes are communicated to the Remuneration Committee and the Board.

11. RETIREMENT FROM THE BOARD

Each Director is expected to voluntarily review their position on the Board from time to time taking into account their respective length of service, age, qualifications and expertise relevant to facilitation of the Company's successful strategic direction; together with the other criteria considered desirable for the composition of a balanced Board and the overall interests of the Company.

A Director shall be expected to resign if requested to do so by the Nomination Committee in the due exercise of its duties and responsibilities to the Board.

An Executive Director shall provide a written notice to the Board immediately upon making a decision to retire or resign from employment with the Company. In these circumstances, the Executive Director may be invited by the Nomination Committee, acting with support from the other Directors, to delay the date upon which his or her resignation or retirement is to take effect, to allow the Company sufficient time to appoint a suitable replacement.

12. OTHER DIRECTORSHIPS

A Director should continually evaluate the number of boards on which they serve to ensure that each can be given the time and attention to detail required to properly fulfil the Director's duties and responsibilities.

A Director shall notify the Chairman of the Nomination Committee in writing prior to accepting appointment to the board of a public company or major enterprise. The Director shall give due and proper regard to the views and wishes of the Nomination Committee relating to the Director acting simultaneously as a Director of the Company and of any other corporation. For the purposes of maintaining the Director's Register of Interests, a Director shall notify the Company Secretary in writing once they have accepted an appointment to any board.

An Executive Director shall not accept appointment to the Board of any corporation outside the group of companies without the prior approval of the Nomination Committee.

13. DISCLOSURE POLICY

The Board should ensure that the Company has in place effective disclosure policies and procedures so that shareholders and the financial market are fully informed to the extent required by the applicable

disclosure rules and legislation on matters that may influence the share price of the Company or its listed debt securities.

The Company is a listed company and is subject to the Listing Rules of the Australian Securities Exchange. The Directors aspire to the very highest standards of corporate governance. To this end they have established a framework of corporate governance which is reviewed on a regular basis. The Corporate Governance Statement in the Company's Annual Report will set out the Company's main practices in this regard and include details of the following:

- the structure of the Board, procedures for appointment and remuneration of Directors, and the qualifications and experience of individual Directors;
- the responsibilities and composition of Board committees; and
- the procedures for internal control and risk management

Board ratified July 2019