



## **3Q HOLDINGS LIMITED BOARD CHARTER**

### **Introduction**

The Board of Directors is accountable to the shareholders for the performance of 3Q Holdings Limited.

The Board undertakes to serve the interests of the shareholders and other stakeholders honestly, fairly, diligently and in accordance with applicable laws.

### **Responsibilities of the Board and Management**

It is the primary function of senior management to manage the Company in accordance with the direction and delegations of the Board, and it is the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company.

### ***The Board***

Without intending to limit this general role of the Board, the principal functions and responsibilities of the Board include the following:

- Set the strategic direction for the Company and monitor progress of those strategies;
- Establish policies appropriate for the Company;
- Monitor the performance of the Company, the Board and management;
- Approve the business plan and work programs and budgets;
- Authorise and monitor investment and strategic commitments;
- Review and ratify systems for health, safety and environmental management; risk and internal control; codes of conduct and regulatory compliance;
- Report to shareholders, including but not limited to, the financial statements of the Company; and
- Take responsibility for corporate governance.

## ***Management***

Management has the following responsibilities delegated by the Board:

- Reporting to the Board on the performance of the company.
- Day-to-day management of the Company in accordance with the strategy set by the Board, including:
  - Operations
  - Information technology
  - Sales and marketing
  - Customer service
  - Human resources
- Such duties as are from time-to-time delegated by the Board.

## **Board size and composition**

To add value to the Company the Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties given its current size and scale of operations.

The number of Directors is specified in the Constitution of the Company as a minimum of three up to a maximum of ten.

The preferred skills and experiences for a Director of the Company include:

- Information Technology;
- Corporate Finance;
- Business Development; and
- Public Company administration.

## ***Chairman of the Board***

The Chairman of the Board should preferably be a Non-Executive Director and elected by the Directors. The Companies Chief Executive Officer and Chairman is the same person. Whilst not independent, Mr. Shaun Rosen is the Chairman of the Board. Given his skills, experience and knowledge of the Company, the Board considers that it is appropriate for him to be Chairman.

### *Independent Directors*

The Board considers that a Director is independent if that Director complies with the following criteria:

- Is not a substantial shareholder of the company or an officer of, or otherwise associated directly with, a substantial shareholder of the company
- Is not employed, or previously been employed in an executive capacity by the company or another group member, and there has been a period of at least three years between ceasing such employment and serving on the board
- Within the last three years has not been a principal of a material professional adviser or a material consultant to the company or another group member, or an employee materially associated with the service provided
- Is not a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer
- Does not have a material contractual relationship with the company or another group member other than as a director.

Currently, the Company does not have an Independent Director as a member of its Board.

### **Role of Chairman**

The Chairman's role consists of leading the Board and general meetings of the company. They are responsible for ensuring the Directors are well informed and effective; ensuring all Director's are contributing effectively and all matters are properly considered and there is clear decision making.

The Chairman is responsible for ensuring meetings are conducted competently and ethically including ensuring that shareholders have adequate opportunity to express their views and obtain answers to any queries raised. The Chairman is responsible for setting the agenda for Board and general meetings and the review of the minutes of board and general meetings.

The Chairman's other responsibilities include:

- Representative of and spokesperson for the Board; and
- Ensure all new Board members are well briefed and have access to all aspects of the Company's operations.

### **Board Meetings**

The following points identify the frequency of Board Meetings and the extent of reporting from management at the meetings:

- A minimum of four meetings are to be held per year;
- Other meetings will be held as required, meetings can be held by telephone link; and
- Information provided to the Board includes all material information on: operations, budgets, cash flows, funding requirements, shareholder movements, broker activity in the Company's securities, assets and liabilities, disposals, financial accounts, external audits, internal controls, risk assessment, new venture proposals, and health, safety and environmental reports.

### **Board Committees**

#### *Audit Committee*

The Company Secretary and CEO/Chairman form the Audit committee.

#### *Nomination Committee*

The Board of Directors of the Company does not have a nomination committee. The Board is of the opinion that due to the nature and size of the Company, the functions performed by a nomination committee can be adequately handled by the full Board.

#### *Remuneration Committee*

The Company Secretary and CEO/Chairman form the Remuneration Committee with one other Director present if one of such Directors remuneration is up for consideration.

The Company's policy for determining the nature and amount of emoluments of Board members is as follows:

- Remuneration of Executive and Non-Executive Directors is reviewed annually by the Remuneration Committee.
- Remuneration packages are set at levels intended to attract and retain Directors and Executives capable of managing the Company's operations and adding value to the Company.

For details of remuneration paid to Directors and officers for the financial year please refer to the Company's Annual Report.

### **Independent Professional Advice**

Each Director has the right to seek independent professional advice at the Company's expense after consultation with the Chairman. Once received the advice is to be made immediately available to all board members. CEO's at each of the Company's entities have been delegated the authority to seek independent professional advice for their entity where deemed necessary.

### **Access to Employees**

Directors have the right of access to any employee. Any employee shall report any breach of corporate governance principles or Company policies to the Executive Director and/or Company Secretary/Financial Controller who shall remedy the breach. If the breach is not rectified to the satisfaction of the employee, they shall have the right to report any breach to an independent Director without further reference to senior managers of the Company.

### **Share Ownership**

Directors are encouraged to own Company shares.

### **Board Performance Review**

Due to the size and nature of the company the board is of the opinion that a formal evaluation is not necessary as performance is continually being evaluated on an ongoing basis.

### **Other Areas for Board Review**

- Insurance, both corporate and joint venture related insurances.
- The company's size does not warrant a formal procedure for evaluating the performance of senior executives. There is ongoing evaluation at operational level with final approval by CEO/CFO.