



**BOARD CHARTER**

**UNITED MALT GROUP LIMITED**

**Citigroup Centre  
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Sydney NSW 2000  
ABN 61 140 174 189**

**UNITEDMALT.COM**

## **1 PURPOSE**

This Charter sets out the responsibilities, authorities, and processes of the Board of Directors (**Board**) of United Malt Group Limited (**United Malt** or the **Company**). The Board is governed by the constitution of United Malt which was adopted on 13 January 2020, a copy of which is available on the United Malt website (**Constitution**).

## **2 RESPONSIBILITIES OF THE BOARD**

- 2.1 The Board is accountable to shareholders for the performance of United Malt and its related bodies corporate. The primary objective of the Board is to build long term value for shareholders with due regard to the legitimate interests of the Company's other stakeholders including customers, employees, creditors, suppliers and the communities affected by the Company's operations.
- 2.2 The Board has ultimate responsibility for providing good governance and sound strategic guidance for the Company and for effective oversight of management's performance, including management's implementation of the Company's strategic objectives and maintenance of the Company's values.
- 2.3 The Board may delegate appropriate powers and authority to the Chief Executive Officer to ensure effective day to day management of the Company.
- 2.4 The responsibilities of the Board include to:
  - a) protect and enhance the interests and investments of United Malt's shareholders;
  - b) define the Company's purpose and provide the overall strategic direction and monitor performance against strategic plans;
  - c) oversee the integrity of the Company's accounting and corporate reporting systems, including the external audit;
  - d) approve annual and long-term budgets and operational plans, and monitor performance against those;
  - e) approve annual and half-year financial statements and reports;
  - f) define the desired values and culture of the Company and monitor compliance, by approving the Company's statement of values and code of conduct for the Company including related party transactions and dealing in its shares;
  - g) determine the Company's dividend policy;
  - h) approve major capital expenditure by the Company, including business or asset acquisitions and disposals;
  - i) determine the Company's risk appetite and approve the Company's risk management framework and strategies, including credit, market, liquidity, equity and operational risk and develop and monitor the effectiveness of internal controls and systems in order to manage and mitigate these risks;
  - j) review economic, environmental and social sustainability matters and oversee disclosure in respect of such matters;
  - k) select, appoint and terminate, as necessary, the external and internal auditors;
  - l) assess the external auditor's ongoing independence and scope of the external audit function, together with the provision of any non-audit services by the external auditor;



- m) appoint, replace, review and evaluate the performance and employment of the Chief Executive Officer and approve the appointment and replacement of other senior executives and the development of management succession plans;
- n) approve the remuneration of the Chief Executive Officer and Executives who report directly to the Chief Executive Officer;
- o) satisfy itself that the Company's remuneration policies are aligned with the Company's purpose, values, strategic objectives and risk appetite;
- p) oversee compliance with continuous disclosure requirements and policies for communication with shareholders, financial markets and regulators;
- q) see that an appropriate framework exists for relevant information to be reported by management to the Board and, whenever required, challenge management and hold it to account;
- r) review the effectiveness of occupational health and safety systems and environmental risk management across the Group;
- s) review the performance of the Company in relation to safety, health and environmental consequences of the activities of the Company, including impacts on employees, third parties, the environment and the communities in which the Company operates;
- t) approve delegated authorities to management;
- u) approve the Company's Code of Conduct, Disclosure Policy, Securities Trading Policy, Diversity & Inclusion Policy and other corporate governance policies which apply across the group, monitor their effectiveness and address any material breaches;
- v) review annually United Malt's diversity initiatives and objectives, and progress towards their achievement, approve key performance indicators for senior management in relation to the Company's diversity objectives and approve any public disclosure regarding diversity; and
- w) monitor the effectiveness of the Company's governance practices.

### **3 BOARD STRUCTURE AND APPOINTMENT**

#### **3.1 The Board will comprise:**

- a) A minimum of four Non-Executive Directors; and
- b) The Chief Executive Officer as an Executive Director.



- 3.2 A quorum for the Board meetings is three (3) directors.
- 3.3 A majority of directors must be independent as determined annually by the Board having regard to the criteria for independence set out in the ASX Corporate Governance Council's Principles and Recommendations.
- 3.4 All directors, other than the managing director, are subject to re-election by rotation at least every three years. Newly appointed directors must seek re-election at the first annual general meeting of shareholders following their appointment. The Constitution also provides that a minimum of one-third of the Company's directors (excluding the managing director and any newly appointed directors) must retire each year in accordance with the procedure set out in the Constitution.
- 3.5 Directors will be appointed pursuant to formal letters of appointment setting out the key terms and conditions of their appointment.

## **4 THE BOARD'S RIGHTS**

- 4.1 Directors may access such information and seek such independent advice as they individually or collectively consider necessary to fulfil their responsibilities and permit independent judgement in decision making. Directors will be entitled to:
  - a) access members of senior management at any time to request relevant and additional information or seek explanations after first informing the Chairman or Chief Executive Officer;
  - b) have access to internal and external auditors, without management present, to seek explanations or additional information; and
  - c) seek independent professional advice at the Company's expense, with the Chairman's consent which will not be unreasonably withheld.
- 4.2 Directors are expected to comply with their legal, statutory and equitable duties and obligations when discharging their responsibilities as directors.
- 4.3 Directors are expected to support the letter and spirit of Board decisions.
- 4.4 Directors will keep confidential at all times all Board information discussions, deliberations and decisions, which are not publicly known or approved for disclosure.

## **5 CHAIRMAN**

- 5.1 The Board will elect one of its number as the Chairman. The Chairman must be an independent non-executive director.
- 5.2 The Chairman's role includes to:
  - a) provide leadership to the Board;
  - b) act as a point of liaison between the Board and management;
  - c) assist the Board to fulfil its obligations under this Charter;
  - d) lead the Board's annual performance assessment process;
  - e) facilitate efficient and constructive discussions of critical issues and decisions;
  - f) facilitate the effective contribution and development of all directors;
  - g) appoint directors to serve on Board committees; and
  - h) represent the Board in its communication to shareholders.



## **6 CHIEF EXECUTIVE OFFICER**

- 6.1 The Chief Executive Officer is accountable to the Board for the performance and management of the Company and its operations.
- 6.2 The Chief Executive Officer manages the Company, on a day-to-day basis, in accordance with the strategy, budgets, policies and delegations approved by the Board.
- 6.3 The Chief Executive Officer's performance is assessed annually in light of the achievement of goals, targets, and other key performance indicators as determined by the Board.
- 6.4 With the agreement of the Board, the Chief Executive Officer appoints the executive team and other senior managers, and is responsible for their performance and succession planning.
- 6.5 The Chief Executive Officer has overall accountability for creating a safe work place for all employees and for conducting the Company's business in compliance with the Company's code of conduct, all applicable laws and regulations and in an honest and ethical manner.

## **7 COMPANY SECRETARY**

- 7.1 The Board is responsible for the appointment and replacement of the Company Secretary and will appoint at least one Company Secretary.
- 7.2 The Company Secretary's responsibilities to the Board include to:
  - a) co-ordinate and administer all Board meetings and business;
  - b) provide governance, administration, technical and other support to the Chairman, Board committees and the directors; and
  - c) retain independent professional advisors at the request of the Board.

## **8 COMMITTEES**

- 8.1 The Board may establish committees (both ad hoc and standing) to assist it in discharging its responsibilities.
- 8.2 The Board has currently established three standing committees:
  - a) Audit and Risk Committee;
  - b) Nominations and Remuneration Committee; and
  - c) Environment, Health and Safety Committee.
- 8.3 The Board determines the charter for each of the committees and these charters will determine the membership and responsibilities of each committee.
- 8.4 Formal minutes of committee meetings are to be circulated to the directors. A verbal report is also provided at the following Board meeting by the committee chair.



## **9 CONFLICTS OF INTEREST**

### **9.1 Directors must:**

- a) disclose to the Board any actual, potential or perceived conflicts of interest which may exist, as soon as they become aware of the issue;
- b) take any necessary and reasonable measures to resolve the conflict; and
- c) comply with the Corporations Act 2001 (Cth) provisions and Australian Securities Exchange Listing Rule requirements on disclosing interests and restrictions on voting.

9.2 If a conflict or potential conflict situation exists, it is expected that the conflicted director will not receive any relevant Board papers and will be absent from the meeting whilst the Board discusses the matter. The conflicted director must not vote on the matter unless the other are satisfied that the interest should not disqualify the director from being present or voting on the matter.

9.3 Directors are expected to advise the Chairman of any proposed board or executive appointment to other organisations as soon as practicable.

9.4 The Company Secretary will maintain a register of dealings in the Company's securities by, and declarations of interests of, directors for reporting to the Board as necessary.

## **10 REVIEW OF THE BOARD AND COMMITTEE CHARTERS**

10.1 The Board and committee charters will be reviewed at least on an annual basis, if circumstances require.

10.2 To the extent that there is any inconsistency between this charter and the Constitution, the Constitution will prevail.

**Adopted by the United Malt Board in January 2020.**





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