



# PEET

## BOARD CHARTER

### 1. PURPOSE

- 1.1 The Board charter sets out the role, composition and responsibilities of the Peet Limited (“Peet”) Board (the “Board”) within the governance structure of Peet and its controlled entities (the “Peet Group”).
- 1.2 The conduct of the Board is also governed by the Constitution of Peet.
- 1.3 As part of the Peet Group’s accountability to maintain a high standard of corporate governance, the Board has established the following committees to assist with its responsibilities:
  - Audit and Risk Management Committee;
  - Nomination Committee; and
  - Remuneration Committee.
- 1.4 Each of the above committees is governed by its own charter.

### 2. MEMBERSHIP AND TERM

- 2.1 In accordance with the Peet Constitution, the Board will consist of a minimum of three (3) directors and a maximum of fourteen (14) directors.
- 2.2 The Board shall consist of a majority of non-executive directors.
- 2.3 The Chairman of the Board shall be a non-executive director and not be the same person as the Managing Director or CEO. The current Chairman of the Board is not independent, but the Board strongly believes that due to the wealth of experience in Peet’s business sector and knowledge of the Peet Group business that he brings to the Board, he is the most suitable person to occupy the position of Chairman.
- 2.4 Should the Chairman be absent from a meeting, the lead independent director, as determined by the Board from time to time, will chair that particular meeting.
- 2.5 The Board assesses the independence of non-executive directors upon appointment and reviews their independence as needed in accordance with the factors relevant to assessing the independence of a director as set out in the ASX Corporate Governance Council’s Principles and Recommendations.
- 2.6 The Board is responsible for undertaking a formal evaluation process to review its performance and that of its committees periodically. The Nomination Committee is responsible for scheduling these reviews.
- 2.7 Membership of the Board shall be disclosed in the annual report, including whether a director is independent or not independent. Loss or gain of independence will be disclosed as applicable.
- 2.8 The Board has not adopted a tenure policy.

### **3. RESPONSIBILITIES**

3.1 The Board has delegated authority for the operations and administration of the Peet Group to the Managing Director.

3.2 The Board is responsible for promoting the success of the Peet Group in a way, which ensures that, the interests of shareholders and stakeholders are promoted and protected.

3.3 Specifically, the Board is responsible for:

- setting strategic direction of the Peet Group and monitoring management's performance within that framework;
- ensuring there are adequate resources available to meet Peet Group objectives;
- appointing and removing the Managing Director/CEO and overseeing succession plans for the senior executive team;
- conflicts management;
- approving and monitoring financial reporting and capital management;
- approving and monitoring the progress of business objectives;
- ensuring that any necessary statutory licences (e.g. Australian Financial Services Licence) are held and compliance measures are maintained to ensure compliance with the law and licence(s);
- ensuring that adequate risk management procedures are in place;
- ensuring that the Peet Group has appropriate corporate governance structures in place, including standards of ethical behaviour;
- ensuring that the Board is and remains appropriately skilled to meet the changing needs of the Peet Group; and
- monitoring and guiding the culture, reputation and standards of conduct of the Peet Group.

### **4. SEPARATION OF FUNCTIONS BETWEEN THE CHAIRMAN AND MANAGING DIRECTOR**

4.1 The roles of the Chairman and Managing Director are strictly separated.

4.2 The Chairman is responsible for:

- leading the Board in its duties to the Peet Group;
- ensuring there are processes and procedures in place to evaluate the performance of the Board, its committees and individual directors;
- facilitating effective discussions at Board meetings; and
- ensuring effective communication with shareholders.

4.3 The Managing Director is responsible for:

- strategy and policy direction of the operations of the Peet Group;

- the efficient and effective operation of the Peet Group;
- ensuring the Board is provided with accurate and clear information in a timely manner to promote effective decision-making; and
- ensuring all material matters affecting the Peet Group are brought to the Board's attention.

## **5. RESTRICTION ON ACTIVITIES OF MANAGING DIRECTOR AND CHAIRMAN**

- 5.1 Neither the Managing Director nor the Chairman may sit on another board or have a material commercial association with any other non-related company, without the prior approval of the Board.
- 5.2 Peet values the experience and perspective brought to the Board by Board members who are involved with stakeholders of Peet. The involvement with other organisations is in no way perceived to diminish a director's ability to act as an independent director of Peet.
- 5.3 The roles of Chairman and other directors on the Board of Peet may be distinguished for the following reasons:
- the Chairman is likely to be the person to whom customers or investors appeal if a matter has been dealt with at an executive level and the party still has concerns, which they wish to raise with Peet; and
  - the Chairman is the member of the Board who may be questioned on matters at annual general meetings and other public forums.

## **6. SECRETARY**

- 6.1 The Group Company Secretary will be the Secretary of the Board. The Group Company Secretary is accountable to the Board, through the Chairman, on all matters pertaining to the proper functioning of the Board. The role of the Company Secretary includes, but is not limited to:
- a) assisting the Board and Board committees on governance matters;
  - b) monitoring the Board and Board committee policies and procedures;
  - c) co-ordinating the timely completion and dispatch of Board and committee papers; and
  - d) ensuring that the business at Board and committee meetings is accurately captured in the minutes.

## **7. REPORTING**

- 7.1 Proceedings of all meetings are minuted and signed by the Chairman, the chairman of the meeting or, with the approval of the Directors, another director present at the meeting.
- 7.2 Minutes of all Board meetings are circulated to directors and approved by the Board at the subsequent meeting.

**8. REVIEW OF CHARTER**

- 8.1 The Board will review this charter periodically to ensure it remains consistent with the Board's objectives and responsibilities.

**9. PUBLICATION OF THE CHARTER**

- 9.1 This charter is available at [www.peet.com.au](http://www.peet.com.au) and is made available to shareholders of the Peet Group upon request.