

## Board Charter

This Board Charter (**Charter**) describes the roles and responsibilities of the Board and management of Fleetwood Limited (the **Company** or **Fleetwood**).

### 1 Role

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The role of the Board is to approve the purpose, values and strategic direction of the Company and oversee management's implementation of the Company's strategic objectives, values and performance generally (including the Company's operational and financial position), and to oversee overall good governance practice.

### 2 Responsibilities

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The Board is responsible for:

#### Strategic

- Endorsing the Company's strategy and overseeing the executing of the strategy by management.
- Approving acquisitions, divestments or improvement of an asset, commitments and operational expenditure that exceed the Chief Executive Officer's (**CEO**) limit of authority in Delegations of Authority policy (**Limits of Authority**).

#### Governance and Overall management

- Demonstrating leadership for the Company as a whole.
- Approving the Company's statement of values and code of conduct to underpin the desired culture within the Company.
- Appointing a Chair.
- Defining the Company's purpose and setting and monitoring its strategic objectives.
- Approving and monitoring strategic and financial plans and annual budgets.
- Approving and monitoring major capital expenditure, capital management and all major corporate transactions, including the issue of securities.
- Approving and monitoring financial and other reporting, including half and full year results, and material external communications and reports in accordance with the Company's continuous disclosure policy.
- Overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit and the Company's corporate governance and control systems.
- Appointing, re-appointing and removing external auditors and approving the auditor's remuneration, including overseeing the adequacy, performance and independence of the audit function, upon recommendation from the Audit Committee.
- Approving the dividend policy of the Company and any other decisions affecting capital structure including amount, nature and timing of any dividends to be paid.
- Approving and monitoring the Company's remuneration policies to ensure alignment with the Company's purpose, values, strategic objectives and risk appetite. Monitoring remuneration levels and structure for compliance with those policies and reporting to stakeholders as required by law and best practice, upon recommendation from the Remuneration & Nominations Committee.



- Keeping itself informed of the general duties of Directors as prescribed by law and this may include, but is not limited to, providing periodic professional development and opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as Directors effectively.
- Approving the Company's governance policies that require or are reserved for Board approval, including the Code of Conduct and Speak Up policy.
  - a) Reviewing any dispute or litigation that exceeds the CEO's Limits of Authority, including being consulted on any dispute or litigation that may materially impact on the Company's reputation.
- Approving the Company's corporate reports that require or are reserved for Board approval, including the Modern Slavery Statement and Sustainability Report.

#### People

- Ratifying the terms of appointment of the executive leadership team (**Executive Team**), including the terms of any equity remuneration.
- Overseeing senior management's implementation of strategic objectives, its instilling of the Company's values and performance generally.
- Formulating, approving, overseeing and disclosing a process of senior management performance evaluation against appropriate measures.
- Appointing, monitoring, managing the performance of and, where appropriate, replacement and managing succession planning for those members of the Executive Team that are Key Management Personnel (**KMP**) including the CEO, the Chief Financial Officer (**CFO**) and the Company Secretary.
- Overseeing interaction and communication between management and shareholders and the broader community.
- Whenever required, challenging management and holding it to account.
- Approving the remuneration for the non-executive Directors, including considering the adequacy of any pool approved by shareholders for non-executive Director remuneration.
- Approving the remuneration and key performance indicators for the CEO and any other including contract terms, remuneration, benefits and incentives.

#### Risk management

- Monitoring performance in relation to the ASX Corporate Governance Principles and Recommendations and compliance with relevant regulatory requirements.
- Approving and monitoring a risk management framework (for both financial and non-financial risks) upon recommendation from the Risk Committee and compliance with all charters, policies and codes of conduct.
- Developing the risk appetite within which the Board expects management to operate.

#### Reporting

- Ensuring the preparation of accurate financial reports and statements, including receiving a statement from the CEO and the CFO assuring the Board that the financial statements comply with accounting standards and provide a true and fair view of the Company's financial position and performance in accordance with legislative requirements and the ASX Corporate Governance Principles and Recommendations.
- Ensuring that an appropriate framework exists for all relevant information (not just financial information) to be reported by management to the Board.
- Overseeing and supervising the Company's process for making timely and balanced disclosure of all material information that the Company has to disclose under the ASX Listing Rules in accordance with



the Company's continuous disclosure policy, including explaining any departures from the ASX Corporate Governance Principles and Recommendations.

- Reviewing the effectiveness of communication with the Company's shareholders to ensure shareholders and the market have equal and timely access to Market Sensitive Information.

Other

- Approving other matters as required.

### **3 Commitment to shareholders**

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The Board's commitment to deliver shareholder value will be achieved by establishing and maintaining an environment within the Company that effectively demonstrates best practice corporate governance, promotes integrity in financial and risk management, encourages compliance, discloses timely, relevant and understandable shareholder information, communicates a supportive culture, manages risk proactively, seeks out profitable opportunities, delivers a competitive advantage and develops innovative strategies, processes and products.

### **4 Commitment to customers**

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The Board and Executive Team's commitment to customers, both present and future, is to operate its business demonstrating best practice and providing fair value.

### **5 Commitment to employees**

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The Board and Executive Team's commitment to the Company's employees is to provide a culture that:

- clearly enunciates the corporate strategy;
- recognises individual initiative whilst developing and encouraging team building and team achievements;
- provides fair and just rewards based on achievements and results;
- establishes a safe workplace where the individual is treated with dignity;
- actively discourages discrimination and harassment in any form;
- encourages relevant training, personal development and advancement opportunities;
- promotes integrity in dealings with all stakeholders; and
- actively promotes a wider understanding and enforcement of the Company's Code of Conduct.

### **6 Commitment to the community**

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The Board is committed to guiding the behaviour of the Company such that it is a good corporate citizen and honours (and is mindful of) its responsibility to the community.

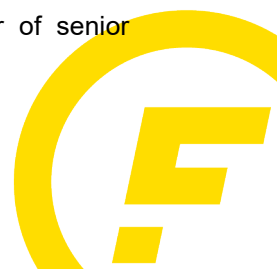
### **7 Board structure**

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The Board will comprise a minimum of three Directors and the majority non-executive Directors who are independent.

The Chair will be appointed in accordance with the Company's Constitution and will be an independent Director. The role of Chair and the CEO will not be exercised by the same person.

The Company will have a written agreement personally with each Director and member of senior



management to set out the terms of their appointment. Where a Director proposes to provide their services through a “personal services company”, the Director will have a personal letter of appointment with the Company which sets out the Director’s duties and responsibilities.

The performance of the Board, the committees and individual Directors will be evaluated annually (including having an external review no more frequently than once every three years). The Remuneration & Nominations Committee is responsible for scheduling these reviews.

## **8 Board skills**

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The Company seeks to have Directors with an appropriate range of skills, knowledge, experience, independence and diversity and an understanding of and competence to deal with current and emerging issues of the Company’s business.

The Company will have a Board skills matrix setting out the skills and diversity that the Board has or is looking for in order to identify any gaps in skills that the Board seeks. The Company’s succession plans are designed to maintain an appropriate balance of skills, knowledge, experience, independence and diversity on the Board.

## **9 Responsibilities of the Chair**

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The key responsibilities of the Chair are to:

- Chair board meetings and lead the Board in reviewing and discussing Board matters.
- Establish the agenda for Board meetings, in consultation with the CEO and the Company Secretary.
- Chair meetings of members, including the annual general meeting.
- With the CEO, approve and/or delegate authority for the approval of all material ASX, and other investor and shareholder, releases.
- Provide guidance and mentorship to the CEO.

## **10 Responsibilities of the Executive Team**

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- The day-to-day management of the Company is the responsibility of the CEO, supported by the Executive Team.
- The Board delegates to the CEO all powers to manage the day-to-day business of the Company, subject to those powers reserved to the Board as set out in *Annexure A* (Schedule of Matters Reserved for the Board) and any specific delegations of authority approved by the Board in the Delegations of Authority policy.
- The key responsibilities of the CEO are to:
  - Be responsible for all aspects of the day-to-day running of the Company including financial and non-financial performance in accordance with the Board approved Delegation of Authority policy.
  - Develop, for consideration with the Board, implement and monitor strategic objectives for the Company and financial plans.
  - Develop, implement and monitor annual budgets and business plans.
  - Plan, implement and monitor all major capital expenditure, capital management and all major corporate transactions, including the issue of any securities.
  - Develop, in consultation with the Board and Executive Team, all financial reports, and all other material external communications and reports, including material announcements and



disclosures, in accordance with the Company's Continuous Disclosure policy.

- Manage, in consultation with the Board, the appointment of KMP (including the CFO and the Company Secretary).
- Develop with the Board, implement and monitor a risk management framework.
- Assist the Chair and the Company Secretary in establishing the agenda for Board meetings.
- Act as the primary channel of communication and point of contact between the Executive Team and the Board.
- Report regularly to the Board with accurate, timely and clear information, such that the Board is fully informed to discharge its responsibilities effectively.
- Ensure a safe workplace for all personnel.
- Instill and reinforce the Company's purpose and values to support a culture that promotes ethical and responsible behaviour.

## **11 Responsibilities of the Company Secretary**

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The key responsibilities of the Company Secretary are to:

- Advise the Board and its committees on governance matters.
- Coordinate all Board business including to:
  - prepare agendas for meetings;
  - coordinate the timely completion and circulation of Board and committee papers;
  - ensure the business at Board and committee meetings is accurately captured in the minutes of the relevant meeting;
  - lodge communications and filings with ASX and ASIC;
  - monitor compliance with Board and committee policies and procedures; and
  - help to organise and facilitate the induction and professional development of Directors.

The Company Secretary is accountable directly to the Board through the Chair, on all matters to do with the proper functioning of the Board.

## **12 Independence of Directors**

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- At the time of a Director's appointment the Board will consider independence and resolve whether to consider the Director independent.
- The Board will regularly assess the independence of each Director and if the Board determines that a Director's status as an independent Director has changed, that determination should be disclosed and explained in a timely manner to the market.
- An independent director is a non-executive director who is not a member of management and who is free of any interest, position, association, business or other relationship that might influence or be perceived to influence, in a material respect, the independent exercise of their judgment.
- In considering whether a Director is independent and the criteria against which the Board determines the materiality of a relationship, the Board is to have regard to:
  - the interests, positions and relationships affecting the independent status of a director as described in the ASX Corporate Governance Principles and Recommendations;
  - the materiality guidelines applied in accordance with the Australian Accounting Standards; and



- any independent professional advice sought by the Board at its discretion.

The Board considers a relationship to materially influence, or be perceived to materially influence, a Director's independent judgment, where it is of substance and consequence and there is a real and sensible possibility that it would affect the Director's judgment.

### **13 Conflicts of interests**

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If a Director believes that they may have a conflict of interest or duty in relation to a particular matter, the Director should immediately consult with the Chair.

If the Board determines that a Director might be in a position where there is a reasonable possibility of conflict between their personal or business interests, the interests of any associated person, or their duties to any other company, on the one hand, and the interests of the Company or their duties to the Company, on the other hand, the Board will require that the Director:

- fully and frankly informs the Board about the circumstances giving rise to the conflict; and
- abstains from voting on any motion relating to the matter and absenting themselves from all Board deliberations relating to the matter, including receipt of Board papers relevant to the matter.

The Company Secretary will maintain a register of all possible conflict of interest situations.

### **14 Board meetings**

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The Board will meet at least 6 times per year, and otherwise as often as the Directors think necessary to enable the Board to fulfil its duties and responsibilities.

The quorum for a Board meeting is determined in accordance with the Company's Constitution.

An agenda, papers and related material will be prepared and circulated to all Directors in advance of each meeting to permit adequate preparation. A record of submissions and papers, together with minutes of meetings, is maintained and held by the Company Secretary.

Minutes for each meeting should be recorded promptly after the close of the meeting. Any dissenting Director is entitled to have that opinion recorded in the minutes of meeting.

### **15 Board committees**

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The various powers, duties and responsibilities of the Board may be delegated to one or more committees of the Board.

The matters delegated to Board committees are outlined in each committee charter, and those delegated to the CEO are outlined in the Board approved Delegations of Authority policy.

The Chair of each committee shall be an independent non-executive director appointed by the Board. The Board will regularly review the composition and appoint members of each committee.

All Board committees will have a charter approved by the Board setting out the composition, duties and responsibilities of that committee. The role of each committee is to operate within the terms of its charter and to make recommendations to the Board for approval.

Minutes of the proceedings of all meetings of Board committees shall be maintained and copies of those minutes will be made available to all Directors.

The Board has established the following committees:

- Audit Committee
- Risk Committee



- Sustainability Committee
- Remuneration & Nominations Committee

The Board will consider, approve and amend the charters of its committees from time to time.

## **16 Independent advice**

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The Board collectively, and each Director individually, is entitled to seek independent professional advice at the Company's expense on any matter connected with the discharge of their responsibilities as a Director.

Individual Directors who wish to obtain independent professional advice should seek approval from the Chair (acting reasonably) and will be entitled to reimbursement of all reasonable costs in obtaining such advice. In the case of a request made by the Chair, approval is required by the Chair of the Risk Committee.

All documentation containing or seeking independent professional advice must clearly state that the advice is sought both in relation to the Company and to the Director in their personal capacity.

The Chair may determine whether any advice received by an individual Director will be circulated to the remainder of the Board.

## **17 Review**

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The Board will, at least once every 3 years unless otherwise required, review this Charter to ensure that it meets best practice standards and the needs of the Company.

This Charter has been approved by the Board and may be reviewed and amended by the Board at any time.

## **18 Confidentiality**

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All proceedings of the Board, including papers submitted and presentations made to the Board, shall be kept confidential and will not be disclosed or released to any person other than Board members, the Company's employees and the Company's auditors, except as required by law or as agreed by the Board.



**Annexure A – Matters Reserved for the Board**



Item	Process requiring authority	Value, measure or level (where applicable)	Fleetwood document required	Board of Directors
1.01	Strategic Plan		Board paper	A
1.02	Annual Financial Budget		Board paper	A
1.03	Implement / amend governance policies		Board paper	A
1.04	Purchasing or selling a company or business		Board paper	A
1.05	Approval of term sheet for acquisitions / divestments		Board paper	A
2.04	Change of salary or key employment terms	KMP	Board paper	A
2.05	Inclusion in Short Term Incentive (STI) scheme - reviewed annually	KMP	Board paper	A
		Non KMP ExCo employees	Board paper	A
		All other employees	Board paper	A
2.06	Inclusion in Long Term Incentive (LTI) scheme - reviewed annually	KMP	Board paper	A
		Non KMP ExCo employees	Board paper	A
		All other employees	Board paper	A
2.08	Terminating or making an employee redundant	KMP	Board discussion	A
3.01	Entering into a new lease or renewing an existing property lease > 12 months	≥\$300k p.a. contract value	Board paper	A
3.04	Recognition of an onerous lease	≥\$2m value	Board paper	A
4.03	Approval of Funding Strategy		Board paper	A
4.04	Establish external Debt or Bank Guarantee facility	Includes property as security	Board paper	A
5.05	Impairment of Goodwill		Board paper	A
5.06	Accounting Policy changes, including new accounting standards		Board paper	A
6.01	Capital Expenditure - includes PPE, motor vehicles, leasehold improvements, IT hardware and intangible assets (Purchase Order Approval - note Terms and Conditions MUST be issued )	≥\$2m	Board paper	A
7.01	Operating expenditure (including purchases of inventory and operating expenditure, but specifically excludes anything costed to a job) (Purchase Order Approval - note Terms and Conditions MUST be issued )	≥\$2m	Board paper	A
9.04	Political donations	≥\$0k	Board paper	A
10.02	Settle any disagreement or dispute (excluding bad debt and insurance claims)	≥\$1m	Board paper	A
10.05	Entering into a Joint Venture Agreement	Any value	Board paper	A
11.01	Approval and signing a contract with or committing to engage a subcontractor or supplier	≥\$5m	Board paper	A
11.02	Approval and signing an agreement, contract, deed or letter of intent	≥\$30m	Board paper	A
14.01	Approval of Results Presentations & ASX Release		Board Paper	A
14.02	Approval Shareholder Meeting materials & release		Board Paper	A
14.03	Approval of price sensitive announcements		Board Paper	A
15.02	Tender submission	≥\$30m	Board paper	A
16.01	Signing or committing to a binding letter of intent or contract	≥\$30m	Board paper	A
17.01	Signing a contract with or committing to engage a subcontractor or supplier	≥\$5m	Board paper	A
18.01	Approval of a purchase order for project expenditure	≥\$5m	Board paper	A
19.01	Stock Builds - built and held as inventory for sale	≥\$5m holding balance	Board paper	A