

Board Charter

Autosports Group Limited
ACN 614 505 261

Adopted by the Board on 28 October 2016

Board Charter

1 Purpose

This Charter provides an overview of:

- the Board's structure, composition, and responsibilities; and
- the relationship and interaction between the Board, Board Committees and management.

This Charter is to be reviewed by the Board as required and at least annually.

2 Board composition

2.1 Board composition and size

- The Board is appointed by the shareholders.
- The size and composition of the Board will be determined by the Board, subject to the terms of the Company's Constitution.
- It is intended that the Board should comprise a majority of independent Non-executive Directors.

2.2 The Chair

- The Board will appoint one of its members to be Chair.
- It is intended that the Chair should be an independent Non-executive Director.
- The Chair represents the Board to the shareholders and communicates the Board's position.

2.3 Director independence

- The Board will determine whether a director is independent in accordance with the guidelines set out in Attachment 1.
- The Board regularly reviews the independence of each Non-executive Director in light of information relevant to this assessment as disclosed by each Non-executive Director to the Board. Non-executive Directors are required to confirm their independence periodically and notify the Board immediately of any conflicts of interest as they arise.

2.4 Performance evaluation

- At least annually, the Directors will undertake performance evaluations of the Board, its Committees and individual Directors.

3 Board responsibilities

3.1 Board role

The Board's role is to:

- represent and serve the interests of shareholders by overseeing and appraising the Company's strategies, policies and performance;
- protect and optimise Company performance and build sustainable value for shareholders in accordance with any duties and obligations imposed on the Board by law and the Company's Constitution;
- set and monitor compliance with the Company's governance framework; and
- ensure shareholders and other stakeholders are kept informed of the Company's performance and major developments.

3.2 Board responsibilities

The responsibilities of the Board include:

- demonstrating leadership;
- defining the Company's purpose and setting its strategic objectives;
- approving the Company's statement of values and Code of Conduct to underpin the desired culture within Autosports Group;
- selecting, appointing and evaluating from time to time the performance of, determining the remuneration of, and planning succession of, the CEO;
- approving the appointment and removal of the CFO and Company Secretary;
- approving the appointment of, and determine the remuneration of, members of key management personnel (**KMP**) including Non-executive Directors;
- reviewing the skills, experience, expertise and diversity represented by Directors on the Board and determine whether the composition and mix remain appropriate for the Company's strategy;
- approving the delegation of authority framework;
- contributing to and approving management development of corporate strategy, including setting performance objectives, approving operating budgets and major capital expenditure
- reviewing, ratifying and monitoring systems of risk management, internal control and legal compliance. This includes reviewing procedures to identify the main risks associated with the Company's businesses and the implementation of appropriate systems to manage these risks;
- overseeing management in its implementation of the Company's strategic objectives, instilling the Company's values and monitoring performance. satisfying itself that the Company's remuneration policies are aligned with the Company's purpose, values, strategic objectives and risk appetite;
- developing and reviewing the Company's values and corporate governance policies and monitoring corporate culture, setting the tone from the top;
- approve measurable objectives for achieving gender diversity on an annual basis;
- approving major capital expenditure, acquisitions and divestitures, and overseeing capital management, including approving dividend payments;
- monitoring and reviewing management processes aimed at ensuring the integrity of financial and other reporting (including in relation to the scope of the external audit and the provision of non-audit services);

- approving financial reports, profit forecasts and other reports required at law or under the ASX Listing Rules to be adopted by the Board;
- ensuring shareholders are kept informed of the Company's performance and major developments affecting its state of affairs;
- reviewing, at least annually, the Company's risk management framework (for both financial and non-financial risks) to satisfy itself that it continues to be sound and effectively identifies all areas of potential risk; and
- performing such other functions as are prescribed by law or nominated by the Board from time to time.
- Satisfying itself that an appropriate framework exists for relevant information to be reported by management to the Board;
- Whenever required, challenging management and holding it to account

3.3 Director responsibilities

- Directors will act at all times with honesty and integrity and will observe the highest standards of ethical behaviour.
- Directors will ensure that no decision or action is taken that has the effect of prioritising their personal interests over the Company's interests.
- Directors will be expected to participate in all induction and orientation programs and any continuing education or training arranged for them.
- The Board collectively, and each Director individually, has the right to seek independent professional advice, subject to the approval of the Chair.

4 Delegation of duties and powers

4.1 Delegation to Committees

- The Board from time to time establishes Committees to streamline the discharge of its responsibilities.
- The Board adopts a formal charter for each standing Committee setting out the matters relevant to the composition, responsibilities and administration of the Committee.
- The permanent standing Committees of the Board are the Audit and Risk Committee and the People and Remuneration Committee. The Board may also delegate specific functions to ad hoc Committees on an 'as needs' basis.

4.2 Delegation to management

- While the Board retains ultimate responsibility for the strategy and performance of the Company, the day-to-day operation of the Company is conducted by, or under the supervision of, the CEO as directed by the Board.
- The Board approves corporate objectives for the CEO to work towards and, jointly with the CEO, develops the duties and responsibilities of the CEO.
- The management team (being the CEO and other officers to whom the management function is properly delegated by the CEO):
 - is responsible for implementing strategic objectives, plans and budgets approved by the Board; and
 - instilling and reinforcing the Company's values and operating within the values, Code of Conduct, budget and risk appetite set by the Board

- is accountable to the Board for matters within its delegated authority.
- Management must supply the Board with accurate, timely and clear information on the Company's operations to enable the Board to discharge its duties effectively. This includes financial performance, compliance with material legal and regulatory requirements and any conduct that is materially inconsistent with the values or Code of Conduct of the Company. Directors are entitled to request additional information at any time when they consider it appropriate.

4.3 The Chair

- The Chair is responsible for:
 - Leading the Board;
 - Facilitating the effective contribution of all directors and promoting constructive and respectful relations between directors and between the Board and management.

5 Board process

5.1 Meetings

- The Board will meet regularly and Directors will use all reasonable endeavours to attend Board meetings in person.
- Periodically, Non-executive Directors will meet without Executive Directors or management present.
- The auditor will have direct access to the Board.
- The Company's Constitution governs the regulation of Board meetings and proceedings.

5.2 The Company Secretary

- The Board will appoint at least one Company Secretary who is responsible for coordination of all Board business, including agendas, board papers, minutes, communication with regulatory bodies, and all statutory and other filings.
- The Company Secretary is accountable to the Board on all matters to do with the proper functioning of the Board.
- All Directors will have direct access to the Company Secretary and vice versa.

Attachment 1

Guidelines of the Board of Directors – Independence of Directors

Without limiting the Board's discretion, the Board has adopted the following guidelines to assist in considering the independence of Directors. In general, Directors will be considered to be 'independent' if they:

- are not employed in an executive capacity by the Company or another group member, or, if they have been previously employed in an executive capacity by the Company or another group member, there has been a period of at least 3 years between ceasing such employment and serving on the Board;
- do not receive performance based remuneration (including options or performances rights) from, or participates in an employee incentive scheme of the Company.
- have not within the last 3 years been in a material business relationship (eg as a supplier, professional advisor, consultant or customer) with the Company or other group member or an officer of or otherwise associated directly or indirectly someone with such a relationship;
- are not, do not represent and have not been within the last three years an officer or an employee of, or professional advisor to, or a substantial shareholder of the Company;
- have no material contractual relationship with the Company or another group member, other than as a director of the Company;
- do not have close personal ties with any person who falls within any of the categories described above;
- have not been a director of the entity for such a period that his or her independence from management and substantial holders may have been compromised; and
- are free from any other interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect the director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its shareholders generally.

Adopted by the Board	28 October 2016
Reviewed with amendments	15 May 2019
Reviewed without amendment	19 June 2020