



Board Charter

Policy document

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[Predictivediscovery.com](https://www.predictivediscovery.com)

Predictive Discovery Limited (ABN 11 127 171 877)
Suite 8, 110 Hay Street, Subiaco WA 6008.

Board Charter

1. ROLE OF THE BOARD

This Board charter sets out the principles for the operation of the Board of Directors of the Company and describes the functions of the Board and those functions delegated to management of the Company.

The Board is accountable to shareholders for the performance of the Company. The Board must at all times act honestly, fairly and diligently in all respects in accordance with the laws applicable to the Company and must act in the best interests of the shareholders of the Company and other stakeholders.

This Board Charter and the charters adopted by the Board for the Committees established by the Board have been prepared and adopted on the basis that corporate governance and good governance procedures can add to the performance of the Company and the creation of shareholder value.

2. RESPONSIBILITIES OF THE BOARD

The Board is responsible for the management of the affairs of the Company, including:

- a) Strategic and financial performance
 - i) Developing and approving the corporate strategy and monitoring implementation of strategy.
 - ii) Evaluating, approving and monitoring the strategic and financial plans of the Company.
 - iii) Evaluating, approving and monitoring the annual budgets (including financial and other reporting) and business plans.
 - iv) Evaluating, approving and monitoring the progress of major capital expenditure, capital management and all major corporate transactions, including the issue of securities of the Company.
 - v) Appointment of the Chairman of the Company.
- b) Executive management
 - i) Appointing, monitoring, managing the performance of, and if necessary terminating the employment of the Managing Director and Senior Executives. The Board will consider the Managing Director's and Senior Executives' authorities and accountabilities, as well as objectives and performance indicators to provide monitoring benchmarks.
 - ii) Managing succession planning for the positions of Managing Director and such other key management positions which may be identified from time to time.
 - iii) Liaising with the Managing Director in relation to the appointment and termination of such key management positions which may be identified from time to time.
 - iv) Ensuring appropriate resources are available to the Managing Director and Senior Executives.
- c) Audit and risk management
 - i) Reviewing, ratifying and monitoring the Company's risk and audit framework, (including but not limited to) systems of risk management and internal control. Reviewing, ratifying and monitoring compliance with the Company's risk and audit policies and protocols.
 - ii) Reviewing, ratifying and monitoring the Company's operations in relation to, and compliance with relevant regulatory and legal requirements.
- d) Strategic planning

- i) The Board will be actively and regularly involved in strategic planning and reviewing, developing and considering strategic planning issues.
 - ii) Strategic planning will be based on the identification of opportunities and the full range of business risks that will determine which of those opportunities are most worth pursuing.
 - iii) The Board will, on an ongoing basis, review with management how the strategic environment is changing, what key business risks and opportunities are appearing, how they are being managed and what, if any, modifications in strategic direction should be adopted.
- e) Corporate governance
- i) The Board must review and approve all disclosures related to any departures from the ASX principles of good corporate governance.
 - ii) The Board must review and approve the disclosure of any of the Company's policies and procedures to the general public.
 - iii) The Board will supervise the public disclosure of all matters that the ASX best practice recommendations recommend be publicly disclosed consistent with the Continuous Disclosure Policy approved by the Board.
 - iv) The Board will establish and monitor performance and reporting of Committees of the Board.
 - v) Appointment of Directors to Committees established by the Board.
 - vi) The Board will approve and monitor delegations of authority.

3. STRUCTURE OF THE BOARD

3.1 Overview

The Board determines the size and composition of the Board subject to the terms of the Constitution of the Company. The Directors appoint the Chairman of the Board who must be one of the non-executive Directors. The Managing Director is to be an executive Director.

3.2 Directors

Each Director is bound by all the Company charters, policies and codes of conduct, including without limitation:

- a) the Company's Code of Conduct;
- b) the Company's Share Trading Policy; and
- c) the Company's Continuous Disclosure Policy.

The Directors of the Company shall:

- a) conduct their duties at a high level of honesty and integrity;
- b) observe the law and comply with applicable standards;
- c) maintain the confidentiality of all information acquired in the course of conducting the role and not make improper use of, or disclose to third parties, any confidential information unless that disclosure has been authorised by the Board, or is required by law or by the ASX Listing Rules;
- d) observe the principles of independence, accuracy and integrity in dealings with the Board, Board committees, internal and external auditors and senior management within the Company;
- e) disclose to the Board any actual or perceived conflicts of interest, whether of a direct or indirect nature of, which the Director becomes aware of and which the Director reasonably believes may compromise the reputation or performance of the Company; and
- f) set a standard of honesty, fairness, integrity, diligence and competency in respect of the position of Director

4. STATEMENT OF THE DIVISION OF AUTHORITY BETWEEN THE CHAIRMAN AND MANAGING DIRECTOR

4.1 Objective

The Company recognises that it is important that the Chairman and the Managing Director have defined roles in the organisation and function in accordance with clear functional lines.

4.2 Role of the Company Chairman

The Chairman will be selected on the basis of relevant experience, skill, judgement and leadership abilities to contribute to the effective direction of the Company.

4.3 Specific duties of the Chairman

The Chairman will:

- a) chair Board meetings;
- b) establish the agenda for Board meetings, in consultation with the Managing Director and Company Secretary;
- c) chair meetings of members, including the annual general meeting of the Company;
- d) be the primary channel of communication and point of contact between the Board (and the Directors) and the Managing Director;
- e) provide guidance to the Managing Director;
- f) chair the Managing Director evaluation process by the Board; and
- g) be a non-executive Director

4.4 Role and responsibilities of the Managing Director

The Managing Director has primary responsibility to the Board for the affairs of the Company. The Managing Director will:

- a) develop with the Board, implement and monitor the strategic and financial plans for the Company, its policies, the annual budgets and business plans, major capital expenditure, capital management and all major corporate transactions, including the issue of any securities of the Company;
- b) manage the appointment of senior executive positions;
- c) develop, implement and monitor the Company's risk and audit management framework;
- d) consult with the Chairman and the Company Secretary in relation to establishing the agenda for Board meetings as well as all matters of significance where it is appropriate to do so;
- e) in consultation with the Company Secretary consider and approve all disclosures of information to the ASX in accordance with the Continuous Disclosure Policy of the Company;
- f) be the primary channel of communication and point of contact between the executive management and the Board (and the Directors);
- g) keep the Chairman fully informed of all material matters which may be relevant to the Board, in their capacity as Directors of the Company;
- h) provide strong leadership to, and effective management of, the Company;
- i) ensure that the Company has regard to the interests of employees and customers of the Company and the community and environment in which the Company operates; and
- j) otherwise carry out the day to day management of the Company.

5. CONFIDENTIAL INFORMATION

The Board has established the following principles to apply in respect of information of the Company:

- a) the Board will approve the nature of any information to be disclosed to any third party and the manner in which such information can be disclosed;
- b) all Directors, including any Directors nominated by a shareholder, are required to keep all information provided to them in their capacity as a Director confidential.

6. CONFLICTS OF INTEREST

The Directors of the Company are required to act in a manner which is consistent with the best interests of the Company as a whole free of conflicts of interest.

If a Director considers that he or she might be in a position where there is a reasonable possibility of conflict between his or her personal or business interests, the interests of any associated person, or his or her duties to any other company, on the one hand, and the interests of the Company or his or her duties to the Company, on the other hand, the Board requires that the Director:

- a) fully and frankly informs the Board about the circumstances giving rise to the actual or potential conflict; and
- b) if such conflict is a material personal interest, abstains from voting on any motion relating to the matter and absenting himself or herself from all Board deliberations relating to the matter including receipt of Board papers bearing on the matter.

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

Directors are expected to inform the Chairman of any proposed appointment to the Board or executive of another company as soon as practicable.

7. MEETINGS

7.1 Overview

The Board will ordinarily meet not less than 4 times formally per annum and as frequently as may otherwise be required to deal with urgent matters. The Chairman in conjunction with the Managing Director should ensure the availability and, if necessary, the attendance at the relevant meeting, of any member of executive management responsible for a matter included as an agenda item at the relevant meeting.

7.2 Agenda

An agenda will be prepared for each Board and committee meeting. The agenda will be prepared by the Company Secretary in consultation with the Chairman and the Managing Director. The following items will be standing items on the Agenda unless otherwise determined by the Chairman:

- a) Approval of minutes of previous meeting
- b) Report by the Managing Director
- c) Report of the Company Secretary on continuous disclosure

8. BOARD COMMITTEES

Given the current size of the Board, the Board as a whole performs the role that committees would ordinarily perform. This applies to the Audit Committee, the Remuneration Committee and the Nomination Committee.

9. INDEPENDENT ADVICE

Subject to Board approval, a Director of the Company is entitled to seek independent professional advice at the Company's expense on any matter connected with the discharge of his or her responsibilities. Any advice received shall be circulated to the Board of Directors.

10. REMUNERATION

The level of non-executive Director remuneration will be set by the Board and is subject to any Listing Rule or Corporations Act requirements.

11. PERFORMANCE REVIEW

The Board undertakes ongoing self assessment and review of the performance of the Board, Committees and individual directors annually. This is to ensure that the Board and their Committees are operating effectively.

The Company's goals for the year will be set out in the Company's Annual Report and these are used as the basis for evaluating performance of senior executives. Performance evaluations are undertaken annually, in June, by the Managing Director. The Managing Director's performance evaluation is also undertaken annually, in June, by the Board.

12. INDUCTION

The Company has induction procedures in place to allow new directors to gain an understanding of the Company (including its culture and values) and their rights, duties and responsibilities, the roles and responsibilities of senior executives, the role of Board committees, and meeting arrangements and director interaction.

13. NOMINATION

In considering any selection, appointment or re-appointment to the Board, the Board will consider the necessary and desirable competencies of any Directors or proposed Directors.

14. CONTINUOUS DISCLOSURE

The Board has adopted a policy related to the continuous disclosure obligations of the Company under the ASX Listing Rules. The Company Secretary will oversee the implementation of that policy and the Board will consider continuous disclosure as a standing item at Board meetings.

15. COMMUNICATION OF INFORMATION

The Board will:

- a) communicate effectively with shareholders;
- b) give shareholders ready access to relevant and timely information about the Company; and
- c) make it feasible for shareholders to participate in general meetings.

16. CODE OF CONDUCT

The Board has adopted a Code of Conduct for Directors, Senior Executives and employees. The aim of the Code of Conduct is to ensure a high standard of business conduct.

17. INDEPENDENCE

When determining whether a director will be considered an independent director, the Board should consider if the director:

- a) is a substantial shareholder of the Company, being a shareholder who does not have more than a 5% interest in the Company, or an officer of or otherwise associated directly with a substantial shareholder of the company;
- b) is employed or has previously been employed as an executive of the Company and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- c) has within the last 3 years been a principal of a material professional adviser or consultant to the Company;
- d) is a material supplier, customer or other contractor of the Company or has a material contractual relationship with the Company other than as a director; and
- e) should otherwise be considered by the Board to not be independent.