

# ADSLOT LTD BOARD CHARTER

## 1. Purpose of Charter

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This Charter sets out the authority, responsibilities, membership and operation of the Board of Adslot Ltd (**Adslot**) and its wholly owned entities (together, **Adslot Group**).

The conduct of the Board is also governed by the Constitution of the Company and the laws and regulations governing corporations in the jurisdictions in which the Company operates.

## 2. Board Structure

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The Board is appointed by shareholders as their agent.

It is intended that the Board should comprise a majority of independent non-executive directors<sup>1</sup> and comprise directors with a broad range of skills, expertise and experience.

It is also intended that the chair should be an independent non-executive director and will not be a former executive officer of the Company or the Group CEO.

The Board shall:

- determine the number and composition of the Adslot Board, subject to the limits imposed by Adslot's Constitution.
- identify and evaluate possible future directors to the Adslot Board.
- appoint directors to fill casual vacancies.
- regularly review the independence of each non-executive director in light of relevant information disclosed to the Board by each non-executive director.
- make recommendations to Adslot's shareholders for the appointment or removal of directors.
- appoint the Chairman of Adslot's Board.
- approve the appointment to the Board's (or controlling bodies) of Adslot subsidiaries and entities which are controlled by Adslot.

The Company's Constitution and the ASX Listing Rules govern the election and re-election of directors.

The Board may from time to time establish committees as it considers necessary or appropriate to assist it in carrying out its responsibilities. Where the Board elects to establish one or more standing or ad hoc committees, the Board shall:

- determine the charters of standing and ad hoc Board Committees.
- determine the membership and composition of Board Committees.
- delegate specific functions to standing or ad hoc Board Committees where the powers delegated to these committees are set out in Board resolutions.

Upon election, directors are provided with formal letters setting out the key terms and conditions of that appointment.

The Board shall determine the remuneration of directors within the limits approved by the shareholders.

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<sup>1</sup> Adslot defines an independent Director as a non-executive director (i.e. not a member of management) who is free of any business or other relationship that could materially interfere with or could reasonably be perceived to materially interfere with the exercise of his or her unfettered and independent judgement and ability to act in the best interests of the company.

### **3. Senior Executive Appointments**

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The Board shall:

#### **3.1 The Chief Executive Officer**

- select and appoint the Chief Executive Officer.
- evaluate the performance of the Chief Executive Officer.
- determine the duration, remuneration and other terms of appointment of the Chief Executive Officer.
- develop and maintain a succession plan for the role of Chief Executive Officer.

#### **3.2 The Chief Financial Officer**

- select and appoint the Chief Financial Officer.
- evaluate the performance of the Chief Financial Officer.
- determine the duration, remuneration and other terms of appointment of the Chief Financial Officer.
- develop and maintain a succession plan for the role of Chief Financial Officer.

#### **3.3 Senior Executive Appointments**

- approve the appointment of Group Executives.
- approve the appointment of the Group Company Secretary.
- monitor the performance of Group Executive and the Group Company Secretary.

### **4. Separation of Functions**

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The roles of Chairman and Managing Director (Chief Executive Officer) are to be separate.

The Chairman is responsible for:

- leading the Board in its duties to the Adslot Group, as well as guide and promote the on-going effectiveness and development of the Board and individual directors.
- ensuring there are processes and procedures in place to evaluate the performance of the Board, any standing or ad hoc Board Committees, and individual directors.
- chairing Board meetings and facilitating effective discussions at Board meetings.
- chairing shareholder's meetings and ensure the meetings of shareholders are conducted in an open and proper manner with appropriate opportunity to ask questions.
- representing the views of the Board to all shareholders and maintain appropriate ongoing contact with major shareholders to ensure the Board understands their views.

The Managing Director/Chief Executive Officer is responsible for:

- the policy direction of the operations of the Adslot Group.
- the efficient and effective operation and administration of the Adslot Group.
- delegating operational responsibilities to executives and senior management.
- ensuring directors are provided with information in a form, timeframe and quality to enable the Board to discharge its duties effectively (directors are entitled to request additional information at any time when they consider it appropriate).
- ensuring all material matters affecting the Adslot Group are brought to the Board's attention.

## **5. Board Responsibilities**

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The Board has delegated authority for the operations and administration of the Adslot Group to the Managing Director/Chief Executive Officer; however ultimate responsibility for strategy, control and administration rests with the directors.

Directors have complete access to Adslot's senior management through the Chairman, CEO or Company Secretary at any time. In addition to regular presentations by senior management to Board meetings, directors may seek briefings from senior management on specific matters.

The Board is responsible for the direction of the Company and for determining the corporate objectives and strategy which are the foundation for all the actions and decisions of the Board and management.

The Board is responsible for:

### **5.1 Strategy**

- setting the corporate and performance objectives for Adslot Group.
- setting the strategic direction of the Adslot Group.
- approving business cases for significant strategic initiatives.
- approving significant internal restructures.
- evaluating the performance of the Company within the approved strategic framework.
- ensuring that appropriate resources are available to meet Adslot Group objectives and strategic initiatives.

### **5.2 Finance**

- approving the Adslot Group operating and capital expenditure budget and financial plans.
- monitoring financial performance against budget and plans.
- determining the dividend policy.
- determining the amount, nature and timing of dividends to be paid.
- making determinations concerning the capital structure of Adslot Group such as
  - allotment of new capital or share buy-backs
  - changes of capital structure
  - raising of new capital or raising of significant debt
- approving major capital expenditure and significant capital allocation decisions.
- approving acquisitions and divestitures.
- overseeing approvals in relation to related party transactions.
- approving executive remuneration, and approving the general structure of remuneration for employees, including all issues of securities under any employee share/option scheme.
- the appropriateness of Adslot Group's accounting policies and practices and consistency with current and emerging accounting standards.
- considering and approving interim and final financial statements, and Adslot's Annual Report (including the director's report, disclosures, and the director's declaration).

### **5.3 Risk Management**

- considering and approving Adslot Group's risk management profile.
- reviewing and approving Adslot Group's risk management policies and frameworks.
- monitoring the effectiveness of risk management by Adslot Group.
- satisfying itself that appropriate internal control mechanisms are in place and operating effectively.

- selecting, appointing and terminating external auditors (subject to shareholder approval).
- maintaining a direct and ongoing dialogue with Adslot's auditors.
- monitoring and reviewing management processes aimed at ensuring the integrity of financial and other reporting.

#### **5.4 Governance**

- reviewing and approving all Adslot corporate governance principles and policies.
- reviewing the policy, procedures and processes for meeting Adslot's continuous disclosure obligations.
- determining the scope and authority (and any limits on that authority) which is delegated to the Chief Executive Officer or any other officer.
- monitoring dealings in securities by directors and monitoring declarations of interests by directors.
- evaluating the performance of the Board, Board Committees, and individual directors.
- monitoring Adslot's culture and reputation, and ensure that the Adslot Group has appropriate Company values and standards of ethical behaviour.
- acting as an advisor and counsellor to senior management.

#### **5.5 Administration and Compliance**

- ensuring that systems and procedures are in place to make sure that Adslot is effectively administered.
- ensuring that the Adslot Group is compliant with its statutory and regulatory obligations.
- monitoring significant litigation in which Adslot Group is involved.
- ensuring regular communication with shareholders.
- calling meetings of shareholders.
- ensuring a safe working environment for all employees.

### **6. Meetings and Conduct**

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Board meetings and meetings of the non-executive Directors (held in the absence of management), are held on a regular basis, as determined in advance by the Board. Special meetings may be convened as required. Board and Committee meetings may be held by telephone or other electronic means.

Meetings and proceedings of the Board are governed by the relevant provisions of the Constitution.

Directors are required to be fully prepared for and make every reasonable effort to attend each meeting of the Board and the Committees of which they are a member.

In the absence of the Chairman, the directors present will elect one of their number as chairman of that meeting. Two directors constitute a quorum, and no business may be transacted at a meeting of the Board unless a quorum is present at the time the business is dealt with.

The agenda for each meeting is determined by the Chairman, CEO and Company Secretary to meet the needs of Adslot at any point in time. Any Director may approach the Chairman and request that a particular item be added to the agenda for a meeting. The agenda and supporting papers are to be delivered to Directors by the Company Secretary at least five days in advance of each meeting. Late papers may be submitted with the consent of the Chairman. Reports and other papers of Board Committees are available to all Directors, subject to the rules in relation to Conflict of Interest set out in this Charter.

The Chief Financial Officer and Company Secretary attends Board meetings by standing invitation but may be asked to leave at any time. The Board may invite such other persons to its meetings or part thereof, as it deems necessary or appropriate. However, if a person has a material personal

interest in a matter that is being considered at a meeting, he/she must not be present for consideration of that matter.

Decisions of the Board and its Committees may be made:

- at a duly called and constituted meeting; or
- by a resolution in writing to all Directors or members of the Committee and signed by 100% of the Directors or 100% of the members of the Committee in each case other than those on leave of absence approved by the Board and who are entitled to vote on the resolution. A written electronic communication from a director containing an agreement to sign the written resolution shall be accepted as an approval from that director.

All Directors and other attendees at Board meetings are, as officers and/or fiduciaries, required to keep all information presented to (whether written or oral) or discussed at Board meetings confidential and only use and disclose this information in the proper discharge of their duties to the Company.

Minutes are prepared for each Board meeting. The draft minutes of each Board meeting are to be reviewed by the Chairman and circulated to all Directors by the Company Secretary as soon as practicable but no later than the distribution date for papers for the next Board meeting at which the minutes of the meetings are to be confirmed.

Directors are expected to attend the Annual General Meeting.

The Each Director is:

- bound by Adslot's values, business principles, code of conduct and its policies and procedures.
- required to comply with terms and conditions of any arrangements or company policies specifically involving them.
- to comply with the terms of their appointment.
- required to take all reasonable steps to avoid actual, potential or perceived conflicts of interests, to disclose to the Board any actual or potential conflicts of interest which may exist or might reasonably be thought to exist as soon as they arise, and to abstain from participating in any discussion or voting on matters in which they have a material personal interest.

Directors are encouraged to undertake any necessary continuing professional education to enable them to discharge their duties, and are given the opportunity to attend technical or professional development courses to assist them in keeping up to date with relevant issues.

## **7. Review and Publication**

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This Charter is to be reviewed by the Board as required to ensure it remains consistent with the Board's objectives and responsibilities.

A copy of this Charter is available at [www.Adslot.com](http://www.Adslot.com). The Charter will be made available to shareholders of Adslot Group upon request.

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