

## DOCUMENT MANAGEMENT

Version	Date	Submitted By	Position
1.0	18 August 2022	John Larsen and Rebecca Weir	Chairman and Joint Company Secretary
Authorised By: Board of Directors of Sequoia Financial Group ( <b>SFG</b> )			

## 1. OVERVIEW

The Board of Directors (the **Board**) will at all times:

- act honestly, fairly, diligently and in accordance with the law and ASX Listing Rules in serving the interests of Sequoia Financial Group Ltd and its subsidiary companies (the **Company**), its employees, customers and the community; and
- work to promote and maintain an environment within the Company that establishes the principles above as basic guidelines for all its employees and representatives.

## 2. ROLE AND PURPOSE

### 2.1 Responsibilities of the Board

Powers specifically reserved for the Board, in addition to any expressly required by law, the Company's Constitution or the ASX Listing Rules, are as follows:

- oversee the business and affairs of SFG, including its control and accountability systems;
- selection, appointment and removal of the Chief Executive Officer, and the determination of terms and conditions of service (including remuneration);
- approving the appointment or replacement of the Chief Financial Officer and Company Secretary;
- appointment of the Chairman and if applicable, the Deputy Chairman;
- membership and charters of Board committees, and matters referred to the Board by its committees;
- providing leadership and setting and reviewing SFG's budgets, objectives, goals and strategic direction and assessing performance against these benchmarks;
- requiring that management supplies the Board with accurate, timely and clear information to enable the Board to perform its responsibilities;
- establishing and maintaining a diversity policy outlining SFG's commitment to diversity in the workplace and reviewing and approving measurable objectives for diversity, including gender diversity, across, and at various levels of SFG;
- ensuring that SFG's financial results are appropriately and accurately reported on a timely basis;
- ensuring there are appropriate standards of Corporate Governance and ethical standards;
- seeking to promote effective engagement with shareholders and providing them with appropriate information and facilities to allow them to exercise their rights as shareholders effectively;
- ensuring appropriate risk management systems, internal control, reporting systems and compliance frameworks are in place and operating effectively;

- m) ensuring there are plans and procedures for recruitment, training, remuneration and succession planning for senior executives, including the approval of employee share and option plans, short term and long-term incentive plans;
- n) any matters in excess of limits delegated to the executive management, including but not limited to:
  - i. the acquisition, establishment, disposal or cessation of any significant business of the Company;
  - ii. major capital projects and related expenditure;
  - iii. capital management including the issue of any shares, options, equity instruments or other securities in the Company;
  - iv. major financing facilities and the giving of security over group assets;
  - v. appointment of external auditors and their respective annual audit fees; and
  - vi. monitoring significant litigation involving SFG.
- o) significant changes to the organisational structure;
- p) any public statements or ASX Announcements which reflect decisions by the Board, significant issues of Company policy or strategy (refer to Continuous Disclosure Policy and Communications Policy);
- q) key Company policies as determined by the Board; and
- r) any changes to the powers delegated by the Board or reserved for the Board;

Subject to law, the Board may delegate to its committees, a director or any other person, authority to perform any of its functions and exercise any of its powers.

### **2.2 Duties of Directors**

Directors must at all times act in accordance with legal and statutory requirements and discharge all their duties as directors. Directors must:

- a) disclose to the Company Secretary of all other public directorships any other directorships where a conflict of interest may occur;
- b) discharge their duties in good faith in the best interests of SFG and for a proper purpose;
- c) act with care, diligence, demonstrate commercial reasonableness in their decision making and act with the level of skill and care expected of a director of a listed public company;
- d) avoid conflicts of interest and conflicts of duties, subject to any exceptions in the Corporation Act 2001 (Cth) (Corporations Act) or the Constitution;
- e) not make improper use of information gained through their position as director;
- f) not take improper advantage of their position as director;
- g) notify other directors of a material personal interest as required by the Corporations Act;
- h) if relying on information or advice provided by others, make reasonable enquiries and an independent assessment of the information or advice;
- i) undertake any necessary inquiries in respect of the reliability and competency of delegates;
- j) not permit SFG to engage in insolvent trading; and
- k) not purport to bind SFG unless expressly authorised to do so by the Board.

## 2.3 Delegation to Chief Executive Officer

- a) The Board delegates authority for the day-to-day management of the Company to the Chief Executive Officer (“CEO”), or in the absence of the CEO, the responsibilities may be discharged by an authorised executive officer, such as the Chief Financial Officer.
- b) The CEO, or authorised officer must refer to the Board, matters that are sensitive, extraordinary or of a strategic nature.

## 3. STRUCTURE OF THE BOARD

### 3.1 Composition

- a) Subject to the Company’s Constitution, the directors comprising the Board are elected by the shareholders. Directors may also be appointed by the Board to fill available positions until the next Annual General Meeting (**AGM**) when they are subject to re-election by the shareholders.
- b) The Chief Executive Officer is appointed by the Board. If the Chief Executive Officer is also the Managing Director, they are exempt from director re-election (subject to the Company’s Constitution). In the case that there is more than one executive director, the Board must determine which director should be exempt from director re-election.
- c) The size and composition of the Board is determined by the Constitution of SFG. It is the Board’s policy that it should aim to be comprised of both executive and non-executive directors, with a majority of independent directors, as described in 3.2 below. The directors shall collectively have a broad range of technical and commercial expertise and experience in a field complementary to the Company’s activities and/or have professional qualifications appropriate and relevant to the Company and its business.
- d) The Board will undertake appropriate checks before appointing a person, or putting forward to shareholders a candidate for election, as a director. If shareholders are making a decision on whether or not to elect or re-elect a director, the Board will provide shareholders with all relevant information in its possession.
- e) The Company’s Constitution governs the regulation of the meetings and proceedings of the Board, as far as the Constitution can be applicable.

### 3.2 Independence

A director will be considered independent by SFG if they are free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of SFG and its shareholders generally.

The Board will regularly review the independence of each director. The approach and attitude of a non-executive director is a critical factor in determining his or her independence. Other relevant factors include whether a director:

- a) is a substantial shareholder of the Company or an office of or otherwise associated directly with a substantial shareholder of the Company;
- b) has been employed in an executive capacity by the Company or any of its subsidiaries within the last 3 years, between ceasing such employment and serving on the Board;
- c) has been a partner, director or senior employee of a provider of material professional services to SFG or any of its subsidiaries within the last 3 years;
- d) has been in a material relationship (e.g., as a supplier or customer) or otherwise associated directly or indirectly with SFG or any of its subsidiaries, or an officer of, or otherwise associated with, someone with such a relationship, within the last 3 years;
- e) has a material contractual relationship with SFG or any of its subsidiaries other than as a

director;

- f) has close family ties with any person who falls within any of the categories described above; and
- g) is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the entity.

All directors shall bring an independent judgement to bear in decision making. To facilitate this the Board shall adopt a policy that permits each director to take independent professional advice, if necessary, at the Company's expense.

The Board shall have processes in place to regularly assess the independence of each director in light of interests disclosed by them based on the interests and associations they disclose and all other available, relevant information.

The Board recognises that the tenure of a director alone will not be sufficient to determine whether a director's independence has been compromised. However, the Board should regularly assess whether a director, who has served for more than 10 years, has become too close to management to be considered independent.

The Board will make immediate disclosure to the market if a director loses his/her independent status.

### **3.2 Chair of the Board**

The Chair of the Board where possible, is to be an independent and non-executive director appointed by the Board. The Chair of the Board should not be the same person as the CEO of SFG.

The Chair as agreed by the Board is responsible for leading the Board, ensuring that Board activities are organised and efficiently conducted and for ensuring directors are properly briefed for meetings.

### **3.3 Company Secretary**

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

All directors will have access to the Company Secretary.

## **4. BOARD PROCESS**

### **4.1 Board Meetings**

- a) The Board will meet regularly in accordance with an agreed schedule and special meetings are agreed as required. Directors will allocate sufficient time to perform their duties effectively.
- b) The agenda for Board meetings shall be prepared by the Company Secretary in conjunction with the Chairman and the Chief Executive Officer, or in the absence of a CEO, the responsibilities may be discharged by an authorised executive officer, such as the Chief Financial Officer.
- c) Attendance at Board meetings may be via forms of technology as permitted by the Constitution.
- d) The Board may request or invite management or external consultants to attend Board meetings, where necessary or desirable.

- e) Standing items shall include:
  - i. disclosures of director's interests;
  - ii. reports from Board committees.
- f) Board papers shall, where possible, be provided to the directors at least one week prior to the relevant meeting.

#### **4.2 Directors may serve on other boards**

It is recognised and accepted that Board members may concurrently serve on other boards in an executive or non-executive capacity, subject to normal corporate governance considerations, such as the duty to avoid conflicts of interest.

Individual directors are requested to consider the number and nature of their directorships, and the calls on their time made by other commitments. Each director must commit sufficient time and skill to carry out his/her duties as a director.

#### **4.3 Access to Management**

The directors will have complete and open access to management following consultation with the Chair of the Board and the CEO.

#### **4.4 Access to Company information**

All directors have the right of access to all relevant Company books and to the Company's executive management. All directors are entitled to the benefit of the Company's standard Deed of Access, Indemnity & Insurance which provides ongoing access to Board papers and at the Company's expense, Directors & Officers' Insurance.

#### **4.5 Board Committees**

- a) The Board may from time to time establish committees to assist in the execution of its responsibilities, and each committee, with the approval of the Board, shall adopt written charters setting out the roles and responsibilities, composition, structure, membership requirements and the manner in which they are to operate.
- b) Subject to any delegation by the Board to a committee (either expressly or as outlined in that committee's charter), all matters determined by committees are to be submitted to the Board as recommendations for Board decisions, and reports of committee meetings are to be tabled (virtually or in writing) at the immediately subsequent Board meeting.

#### **4.6 Performance Evaluation**

- a) The Board shall undertake regular performance evaluation of itself that:
  - i. evaluates the effectiveness of the Board and its Committees with the requirements of its Charter;
  - ii. compares the performance of the Board with the requirements of its Charter;
  - iii. sets the goals and objectives of the Board for the upcoming year; and
  - iv. effects any improvements to the Board charter deemed necessary or desirable.
- b) The performance evaluation shall be conducted in such manner as the Board deems appropriate and may involve the use of an external contractor.

### **5. REVIEW OF THIS CHARTER**

The Board will review and assess tri-annually, the adequacy of this Charter.