



Board Charter

Health and Plant Protein Group Limited

1. Board of Directors and Committee

1.1 Overview

The board of directors of Health and Plant Protein Group Limited is responsible for the corporate governance of the consolidated entity. The board guides and monitors the business and affairs of Health and Plant Protein Group Limited on behalf of the shareholders by whom they are elected and to whom they are accountable.

To ensure the board is well equipped to discharge its responsibilities it has established guidelines for the nomination and selection of directors and for the operation of the board.

1.2 Objective of the Board

The board's principal objective is to maintain and increase shareholder value while ensuring that the Consolidated Entity's overall activities are properly managed.

1.3 Composition of the Board

The composition of the board is determined with regard to the following principles and guidelines:

- (a) the board should comprise a majority of non-executive directors;
- (b) the board should comprise a majority of independent directors;
- (c) the Chair should be a non-executive director elected by directors from their number;
- (d) the Chair should possess high qualities of leadership and business acumen;
- (e) the board should comprise directors with an appropriate range of qualifications and expertise;
- (f) the board should meet at least ten times per year and follow meeting guidelines set down to ensure all directors are made aware of, and have available all necessary information, to participate in an informed discussion of all agenda items;
- (g) directors are appointed for a 3 year term (with the exception of the Managing Director, where one is in place) after which time they are required to seek re-election by shareholders; and
- (h) when a board vacancy exists or where it is considered that a director with particular skills or experience is required, the board selects a panel of candidates with the appropriate expertise and experience from which the most suitable candidate is appointed on merit.

2. Board Committees

The board may establish various sub-committees from time to time to consider matters of special importance and to assist it in discharging its responsibilities relative to financial report and regulatory conformance, and remuneration of directors and executive manager. Committee charters are approved by the board.

3. Board Responsibilities

As the board acts on behalf of and is accountable to the shareholders, the board seeks to identify the expectations of the shareholders, as well as other regulatory and ethical expectations and obligations. In addition, the board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks. The board seeks to discharge these responsibilities in a number of ways.

The responsibility for the operation and administration of the consolidated entity is formally delegated by the board to the CEO and the executive team.

The board ensures that this team is appropriately qualified and experienced to discharge their responsibilities and has in place procedures to assess the performance of the chief executive and the executive team.

The board is responsible for ensuring that management's objectives and activities are aligned with the expectations and risks identified by the board. The board has a number of mechanisms in place to ensure this is achieved. These mechanisms include the following:

- (a) board approval of a strategic plan, which encompasses the entity's vision, mission and strategy statements, designed to meet stakeholders' needs and manage business risk. Each year the board considers, and if appropriate, approves annual budgets, proposed capital expenditure and operating plans and strategies against which technical and financial performance is regularly reported;
- (b) the strategic plan is a dynamic document and the board is actively involved in developing and approving initiatives and strategies designed to ensure the continued growth and success of the entity;
- (c) implementation of operating plans and budgets by management and board monitoring of progress against budget - this includes the establishment and monitoring of key performance indicators (both financial and non-financial) for all significant business

processes. At each meeting, the board reviews the operational and financial performance of the consolidated entity and each operational unit;

- (d) the board receives and considers reports on the group's performance in the areas of occupational health and safety, food safety and environmental control;
- (e) procedures to allow directors, in the furtherance of their duties, to seek independent professional advice at the company's expense. With the prior approval of the Chair, each director has the right, at the company's expense, to seek independent professional advice relevant to the company's affairs. A copy of any such advice is to be provided to all directors;
- (f) review and approval of acquisitions and disposals of businesses and assets, and the approval of financing arrangements within defined limits;
- (g) monitoring of the entity's liquidity, credit policies and exposures, and management's actions to ensure they are in line with company policy; and
- (h) disclosure of any real or potential conflict of interest which is to be recorded in the minutes of meetings.

Where a conflict of interest arises, directors are to withdraw from discussion and deliberation. Participation is only available in such situations with the consent of other directors.

The Chair is responsible for the effective and efficient conduct of the board's meetings, the company's general meeting of members and activities. He/she has particular responsibilities to support the chief executive officer and act as a link between the board and the CEO and the board and the Company Secretary.

4. Monitoring of the Board's Performance and Communication to Shareholders

In order to ensure that the board continues to discharge its responsibilities in an appropriate manner, the performance of all directors is reviewed annually by the Chair. The Chair's performance is reviewed through Board assessment. Directors whose performance is assessed as unsatisfactory are asked to retire.

The board of directors aims to ensure that the shareholders, on behalf of whom they act, are informed of all information necessary to assess the performance of the directors. Information is communicated to the shareholders through:

- (a) the annual report which is distributed to all shareholders;
- (b) the half-yearly report released through the ASX;
- (c) the annual general meeting and other meetings so called to obtain approval for board action as appropriate;
- (d) market announcements; and
- (e) the company's website.

Approved by the Board of Health and Plant Protein Group Limited

Review date: 25 July 2022

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 [linkedin.com/company/healthandplantprotein](https://www.linkedin.com/company/healthandplantprotein)

 www.hppgroup.com

