

BOARD CHARTER



WEST COAST
AQUACULTURE

WEST COAST AQUACULTURE GROUP LIMITED
(ACN 637 883 848)

BOARD CHARTER

This Document is adopted by West Coast Aquaculture Group Ltd (“The Company”) on the 1st day of January in the year of 2020.

1. PURPOSE

This Board Charter (**Charter**) governs the operations of the Board and sets out the role, responsibilities, composition, structure, processes, and membership requirements of the Board of West Coast Aquaculture Group Limited (**the Company**).

2. ROLE AND RESPONSIBILITIES

2.1 Board

The Board is responsible for the overall operation of the Company and in particular, for the long-term growth and profitability of the Company, the strategies, policies and financial objectives of the Company, and for monitoring the implementation of those policies, strategies and financial objectives, including the responsibilities set out below.

In performing the responsibilities set out in this Charter, the Board should act at all times to continue to build sustainable value for shareholders and is accountable to security holders for the performance of the Company’s businesses. In performing its role, the Board aspires to excellence in governance standards.

The key responsibilities of the Board are as follows:

Strategy

- Approving the strategic direction of the Company and significant corporate strategic initiatives.
- Approving the Company’s annual targets and financial statements and monitoring financial performance against forecast and prior periods.
- Approving and monitoring capital management and major capital expenditure, acquisition and divestments.

Corporate Governance

- Monitoring the efficiency of the Company’s governance practices, including delegated matters to a committee of the Board.
- Determining dividend policy and the amount, nature, and timing of dividends to be paid.

Risk Management and Reporting

- Identifying the principal risks of the Company’s business and ensuring the Company has in place an appropriate risk management framework and establishing the acceptable levels of risk within which the Board expects the management of the Company to operate.
- Considering and approving the Company’s overall risk–reward strategy and frameworks for managing all categories of risk.

- Reviewing and ratifying the Company's systems of internal compliance and control, risk management and legal compliance systems, to determine the integrity and effectiveness of those systems.
- Approving and monitoring internal and external and other reporting, including:
 - Periodic reporting to shareholders, the SSX and other stakeholders; and
 - Overseeing the Company's processes for making timely and appropriate disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities.
- Maintaining an ongoing dialogue with the Company's auditors and, where appropriate, principal regulators, to provide reasonable assurance of compliance with all regulatory requirements.
- Considering the social, ethical, and environmental impact of the Company's activities, setting standards and monitoring compliance with the Company's sustainability policies and practices.
- Selecting, appointing, and terminating the external auditor (including associated recommendations to shareholders for approval).

Relationship with Management

- Overseeing the appointment and removal of Executive Directors and Non-Executive Directors to fill vacancies on the Board.
- Determining the corporate goals and objectives relevant to the remuneration of the CEO and evaluating the performance of the CEO considering these objectives.
- Selecting, appointing, and determining terms of appointment of the Chief Executive Officer (CEO), Deputy CEO, and Chief Financial Officer.
- Reviewing succession plans for the CEO and Group Executives.
- Approving individual remuneration levels for Group Executives, other executives who report directly to the CEO and any other person the Board determines.
- Approving the appointment of Group Executives, Chief Compliance Officer & Legal Counsel to the Board and monitoring the performance of senior management.
- Approving policies for appointments to the Boards of entities controlled by the Company.
- Overseeing the Board Audit Committee's evaluation of auditor's performance and ongoing independence.
- Considering and approving the Company's Remuneration Policy.
- Determining the size of bonus / incentive pools as part of the Company's annual plan based on consideration of pre-determined business performance indicators and the financial soundness of the Company.
- Administrating the Company's process in providing appropriate and balanced disclosure of all material information regarding the Company that a reasonable person is expected to have a material effect on the value of the Company's securities.
- Determining an appropriate framework is present to allow relevant information to be reported by the management of the Company to the Board.
- Challenging the Company's management and its accountability to provide accurate information to ensure the Board's efficiency.
- Providing oversight and monitoring of Workplace, Health and Safety (WHS) issues in the Company and considering appropriate WHS reports and information.

2.1 CEO

Management of the Company's day to day operations is undertaken by the CEO, subject to specified delegations of authority approved by the Board.

The CEO is also responsible for the development of strategic objectives for the business, as well as the achievement of the planned results for the Company.

Any matters or transactions outside the delegations of authority must be referred to the appropriate Board or Committee for approval.

3. BOARD SIZE AND COMPOSITION

The Board should comprise of a majority of independent Non-executive Directors, a majority of whom are ordinarily resident in Australia and will be engaged through a letter of appointment. The Board will endeavour to appoint and fill the vacancy of suited independent Non-executive Directors within a period of 24 months.

An independent Non-executive Director is a person independent of management and free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgment.

The size of the Board will be determined in accordance with the Company's Constitution.

Collectively, the Board members should have a broad range of financial and other skills, experience and knowledge necessary to guide the business of the Company.

The Board will determine and regularly review the composition of the Board having regard to the optimum number and skill mix of Directors, subject to the limits imposed by the Company's Constitution and the terms served by existing Non-executive Directors.

4. CHAIRMAN

The Board will appoint one of its members to be the Chairman in accordance with the Company's Constitution.

The Chairman represents the Board to the shareholders and communicates the Board's position. The Chairman must be an independent Non-executive Director. The Chairman cannot have been the CEO of the Company at any time during the previous three years.

6. COMPANY SECRETARY

The Board will appoint at least one Company Secretary. Appointment and removal of a Company Secretary will be subject to Board approval.

The Company Secretary is responsible for the co-ordination of all Board business, including agendas, board papers, minutes, communication with regulatory bodies, the Australian Securities Exchange and all statutory and other filings.

All Directors shall have direct access to the Company Secretary.

7. BOARD COMMITTEES

The Board has established Committees to assist the Board in exercising its authority, including the responsibilities set out in paragraph 2.1.

The standing Board Committees are:

- a) Board Audit & Risk Committee;
- b) Board Remuneration Committee; and
- c) Board Nomination Committee.

The Board may establish ad hoc Board Committees from time to time to consider matters of special importance or to exercise the delegated authority of the Board.

The Board will determine the charters of standing and ad hoc Board Committees, which will set out the roles and responsibilities of each Committee. The Board will also determine the membership and composition of Board Committees, having regard to workload, skills and experience, and any regulatory requirements.

8. BOARD MEETINGS

The Chairman is responsible, in consultation with the CEO and the Company Secretary, for the conduct of all Board meetings. This includes being satisfied that the agendas are comprehensive, that all agenda items are appropriate and that recommendations fit within the broad strategic direction set by the Board.

Members of executive management (Group Executives) are invited to attend all Board meetings and Group Executives are available to be contacted by Directors between meetings.

The Board will regularly meet without executive management (other than the CEO), including at the conclusion of each meeting.

Non-executive Directors will regularly meet without Executive Directors or other management representatives present, including at the conclusion of each meeting.

The Chairman and other members of the Board will be available to meet with the APRA on request.

9. DIRECTOR

Directors are expected to:

- attend and participate in Board meetings and meetings.
- spend the time needed, and meet as often as necessary, to properly discharge their responsibilities.
- review meeting materials before Board meetings and Committee meetings.
- ask questions of, request information from, and raise any issue of concern with, Group senior executives.
- exercise independent judgment when making decisions.
- support the letter and spirit of Board decisions.
- keep Board information, discussions, deliberations, and decisions that are not publicly known, confidential.

- comply with their legal duties when discharging their responsibilities as Directors.

To put it broadly, Directors are expected to comply with the following:

- to act in good faith and in the best interests of the Company;
- to act with care and diligence;
- to act for proper purposes;
- to avoid a conflict of interest or duty; and
- to refrain from making improper use of information gained through the position of Director or taking improper advantage of the position of Director.

10. DIRECTOR INDEPENDENCE

The Board has adopted a definition of independence setting out the interests and relationships to be considered by the Board in assessing the independence of each Director.

The Board assesses independence of Directors upon appointment and annually through an attestation by each Director.

The Board collectively, and each Director individually, has the right to seek independent professional advice, subject to the approval of the Chairman, or in the Chairman's absence, the Board.

Directors must make independent judgement when making decisions in accordance with the procedures agreed by the Directors.

11. BOARD PERFORMANCE

The Board will undertake ongoing assessment and review of performance of the Board, its Committees and individual Directors annually.

12. ETHICAL STANDARDS

Board members are expected to observe the highest standards of ethical behaviour.

The Board supports and encourages policies within the Company which require Directors and employees to observe high standards of personal integrity and display honesty in their dealings.

13. CONFLICTS OF INTEREST

Directors are expected to avoid any action, position or interest that conflicts with an interest of the Company or gives the appearance of a conflict.

A Director that has a material personal interest in a matter that relates to the affairs of the Company must give the other Directors notice of such interest.

The Company Secretary will maintain a register of dealings in securities and declarations of interest by Directors and report them to the Board as necessary.

14. REVIEW OF CHARTER

The Board must review and reassess this Charter at least annually, and if required, make any amendments to the Charter.