

BOARD CHARTER
SANCTUARY LAKES RESORT SERVICES LIMITED
ACN 092 610 449 (the Company”)

1. Introduction

1.1. This Charter

- a. The Company is a public company limited by guarantee.
- b. The Board is responsible for the corporate governance of the Company and its related companies Sanctuary Lakes Residents Association Pty Ltd and SLR Security Pty Ltd (“the Group”).
- c. The Board acts in the best interests of the Company as a whole and is accountable to members for the overall direction, management and corporate governance of the Company and the Group.
- d. The purpose of this Charter is to:
 - i. promote high standards of corporate governance; and
 - ii. clarify the role and responsibilities of the Board.
- e. In the event of any inconsistency between this Charter and any provision of the Company’s Constitution, the Company’s Constitution will prevail.

2. The Board’s responsibilities

2.1. Board responsibilities

The Board is responsible for:

- a. overseeing the Group, including its control and accountability systems;
- b. appointing and removing the Chief Executive Officer;
- c. monitoring the performance of the Chief Executive Officer;
- d. where appropriate, ratifying the appointment and removal of employees;
- e. ratifying other organisational changes and remuneration policies and practices;
- f. approving succession plans for management;
- g. reporting to members;
- h. providing strategic advice to management;
- i. approving management's corporate strategy and performance objectives;

- j. approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestitures;
- k. approving and monitoring financial and other reporting;
- l. reviewing and ratifying systems of risk management, internal compliance and control, and legal compliance to ensure appropriate compliance frameworks and controls are in place;
- m. monitoring and ensuring compliance with legal and regulatory requirements and ethical standards and policies; and
- n. monitoring and ensuring compliance with best practice corporate governance requirements.

2.2. **Board Committees**

The Board has established the following committees to assist it in carrying out its responsibilities, to share detailed work and to consider certain issues and functions in detail. The Board intends that the Board committees will be structured as follows:

- a. Governance Committee – consisting of 2 Directors plus Company Secretary assisting;
- b. Audit Committee – consisting of 2 Directors plus Finance Manager assisting; and
- c. Executive Committee – consisting of a minimum 2 Directors plus Chief Executive Officer assisting.

2.3. **Chairperson of the Board**

The chairperson of the Board is appointed by the Directors and may not be the same person as the Chief Executive Officer. The responsibilities of the chairperson of the Board include

- a. providing leadership to the Board and the Group;
- b. promoting the efficient organisation and conduct of the Board's functions;
- c. ensuring the Board considers and adopts strategies designed to meet present and future needs of the Group;
- d. ensuring the Board has an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- e. monitoring the performance of the Board;
- f. facilitating Board discussions to ensure core issues facing the Group are addressed;
- g. briefing all Directors in relation to issues arising at Board meetings;
- h. facilitating the effective contribution and ongoing development of all Directors;
- i. promoting constructive and respectful relations between Board members and between the Board and management;
- j. ensuring the Board regularly meets to consider the Group's performance and key issues facing it;

- k. setting the agenda for the Board meetings after consulting with the general manager; and
- l. chairing Board Meetings and general meetings of the Company.

2.4. Chief Executive Officer

- a. The Board may delegate responsibility for day to day management and administration of the Group to a Chief Executive Officer.
- b. The Chief Executive Officer (if appointed by the Board) manages the Group in accordance with the strategy, plans and policies approved by the Board.
- c. The Chief Executive Officer may not be the same person as the chairperson.
- d. The responsibilities of the Chief Executive Officer (if appointed) include:
 - i. developing and recommending to the Board strategies, business plans and annual budgets for the Group;
 - ii. implementing the strategies, business plans and budgets adopted by the Board;
 - iii. managing the Group's employees and service providers;
 - iv. developing and managing resources, policies and systems to ensure the effective operation of the Group (including developing and implementing policies on risk management, internal controls and human resources);
 - v. managing resources within budgets approved by the Board;
 - vi. ensuring the Board is given sufficient information to enable it to perform its functions, set strategies and monitor performance; and
 - vii. acting within authority delegated by the Board.

3. Board Meetings

3.1. Attendance and participation

- a. Directors are expected to attend and participate in Board meetings and meetings of any committees on which they serve.
- b. Directors are expected to spend the time needed, and meet as often as necessary, to properly discharge their responsibilities.
- c. If a Director anticipates that he or she may not be able to attend a number of Board or committee meetings due to travel, illness or other commitments, the Director is required to raise this as soon as possible with the Chairperson. It will be for the Chairperson to assess whether that Director will still be able to make the required level of contribution to the Board notwithstanding that the Director may not be able to make all scheduled Board meetings or committee meetings. If the Chairperson assesses that a Director is unlikely to be able to make the required level of contribution to the Board then that Director may only be removed in accordance with the Company's Constitution.

4. Directors' duties

4.1. Legal duties

- a. Directors must comply with their legal duties when discharging their responsibilities as Directors. Broadly, these duties include:

- i. acting in good faith and in the best interests of the Company;
- ii. acting with care and diligence;
- iii. acting for proper purposes;
- iv. avoiding a conflict of interest or duty; and
- v. refraining from making improper use of information gained through the position of Director or taking improper advantage of the position of Director.

b. Directors must exercise independent judgment when making decisions.

4.2. Reasonable enquiries

- a. Directors are encouraged to ask questions of, request information from, and raise any issue of concern with, management and/or the Board and make reasonable enquiries if any concerns arise.
- b. Directors are expected to review meeting materials before Board meetings and committee meetings.
- c. Directors are encouraged, where possible, to ask any questions and raise issues of concern before a meeting so that management is prepared to address them.

4.3. Honesty and integrity

The Company expects each Director to:

- a. observe the highest standards of honesty, integrity and ethical and law-abiding behaviour when performing their duties dealing with any officer, employee, member, supplier, auditor, lawyer and other adviser of the Group; and
- b. foster a culture of honesty, integrity and ethical and law-abiding behaviour among other officers and employees.

5. Communication of information

5.1. Communication with members

The Board will:

- a. communicate effectively with members; and
- b. facilitate and promote effective communication with members and encourage participation at general meetings of the Company.

5.2. Confidentiality

- a. Any information acquired by a Director while performing his or her duties is Confidential Information of the Group.
- b. The existence and details of any Board and management information, discussions, and decisions that are not publicly known and have not been approved by the Board for public release, are also Confidential Information of the Group.

- c. All Board material and information (including Board and Board Committee papers) and any notes or reports incorporating or derived from any Board material or information will remain the Confidential Information of the Group.
- d. A Director must not disclose any Confidential Information to a third party except where that disclosure:
 - i. is authorised by the Board;
 - ii. is of information that is already publicly known other than as a result of a breach of any duty of confidentiality;
 - iii. is of information that is already known to the disclosee other than as a result of a breach of any duty of confidentiality;
 - iv. is required by law or a regulatory body
- e. Each Director's obligations of confidentiality continue after he or she is no longer a Director of the Group.

5.3. Return of Company property after the removal or resignation of a Director

If a Director ceases to be a director of the Company (for any reason whatsoever) then as soon reasonably possible after the date of the removal or resignation of the Director he or she must, as far as practicable, return to the Company, or at the Company's discretion, destroy or delete all the Company's property, including:

- i. all Board and committee papers and minutes;
 - ii. all notes made by the Director regarding any Board or committee meetings or papers, whether or not written or in machine readable form;
 - iii. all Confidential Information of the Company, whether or not written or in machine readable form;
 - iv. any property owned or leased by the Company; including any software or hardware;
 - v. any keys or tokens issued by the Company.
- (a) A Director must not create, record or keep any Confidential Information of the Company in any form after the Director has ceased to be a director or the Company.

This charter was approved and adopted by the Board on 17 June 2014.

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