



# WATERWERX HOLDINGS LIMITED

## BOARD CHARTER

### 1. Introduction

This Board Charter sets out the principles for the operation of the board of directors (**Board**) of Waterwerx Holdings Limited (**Waterwerx** or the **Company**) and describes the functions of the Board.

The purpose of this charter is to:

- (a) promote high standards of corporate governance;
- (b) clarify the role and responsibilities of the board; and
- (c) enable the board to provide leadership and guide the Company's strategic direction, driving its performance and overseeing the activities of management and the operation of the Company.

The Board is:

accountable to shareholders for the performance of the Company and protection of shareholder interests;

responsible for the oversight and review of the management, administration and overall corporate governance of the Company,

committed to adopting principles of good corporate governance that accord with best practice and applicable laws, including:

- the requirements of the Corporations Act, including solvency of the Company
- providing a safe working culture and environment for all employees, directors and contractors.
- authorising policies and overseeing the strategic direction of the Company and
- establishing goals for management and monitoring the achievement of these goals.

It is a requirement of the Board that the Company maintains the highest standards of ethics and integrity at all times.

### 2. Composition of the Board

The composition of the Board is determined in accordance with the following principles and guidelines:

- The Board should comprise at least three directors and a maximum of 7 directors.
- The Board should comprise directors with an appropriate range of skills, experience, qualifications and expertise.
- Directors must have the ability to understand and competently deal with current and emerging business issues.
- Directors must have the ability to effectively review and challenge the performance of management and exercise independent judgment.
- The Board shall meet regularly (and at least 6 times a year).



- The Board will 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.
- The Directors are expected to attend at least 75% of all Board meetings, either in person or via teleconference.
- The Board should comprise a majority of independent non-executive directors; and
- A Director is subject to re-election every 3 years by shareholders at the Company's AGM.

### **3. Role and responsibility of the Board**

#### **3.1 Board**

The role of the Board is to oversee and guide the management of the Company and its subsidiaries (the Group) with the aim of protecting and enhancing the interests of its shareholders and considering the interests of other stakeholders including employees and the wider community. 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 is responsible for setting the strategic direction of the Group, establishing goals for management and monitoring the achievement of those goals. The Chief Executive Officer is responsible to the Board for the day-to-day management of the Group. The Board ensures that the Chief Executive Officer is appropriately qualified and experienced to discharge his responsibilities and has procedures in place to assess the performance of the Chief Executive Officer.

In particular, the following are regarded as the key responsibilities and functions of the Board:

#### **(a) Board and senior management**

- The appointment or replacement, delegation of authority to, and review the performance of, the Chief Executive Officer (CEO).
- The appointment and review of performance of other executive directors.
- Approval of the terms of appointment of senior management – i.e. the CEO and direct reports.
- To evaluate and reward the CEO and consider the CEO's recommendations in relation to their direct reports (including determining their remuneration and incentive policies).
- Ensuring executive and Board succession planning.
- Assessment of the organisation's performance.
- Assessment of Board performance.
- Ensuring that there is continuing education and information provided to directors regarding the Company's business and the role of the Board and its functions and obligations; and
- Assessment of the performance of individual directors prior to their standing for re-election.

#### **(b) Business Strategy and financial matters**

- Approval of annual budgets and the strategic plan.
- Evaluating the performance of the Company against strategies and business plans in order to monitor the performance of functions delegated to management; and assess the suitability of the Company's overall strategies, business plans and resource allocation.
- Approval of the capital expenditure budget and any alterations to it.
- Approval of significant mergers, acquisitions and divestitures of the Group.
- Approval of significant leases or purchase of buildings.
- Approval of capital expenditure, operating expenditure and major transactions not included in the budget or outside the ordinary course of business.
- Approval of annual accounts and directors' reports.
- Approval of risk appetite statement.
- Approval of accounting policies.
- Approval of the internal and external audit plan; and



- Acceptance of audit reports including management letters.

**(c) Risk and compliance**

- Approval and monitoring of the Company's risk management strategy; and
- Monitor and review the Company's operations in relation to, and compliance with legal and regulatory requirements.

**(d) Relations with shareholders**

- To oversee relations with shareholders by monitoring communications to shareholders including monitoring:
  - arrangements for the annual general meeting and other members' meetings (if any); and
  - matters relating to reports as required by law.

### **3.2 Role and responsibilities of the Chair**

**(a) The chairperson of the Board:**

- is appointed by the directors;
- preferably will be an independent non-executive director; and
- may not be the same person as the chief executive officer.

**(b) The responsibilities of the chairperson of the board include:**

- providing leadership to the board and the Group;
- promoting the efficient organisation and conduct of the board's functions;
- ensuring the board considers and adopts strategies designed to meet present and future needs of the Group;
- ensuring the board has an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- monitoring the performance of the board;
- facilitating board discussions to ensure core issues facing the Group are addressed;
- briefing all directors in relation to issues arising at board meetings;
- facilitating the effective contribution and ongoing development of all directors;
- promoting constructive and respectful relations between board members and between the board and management;
- ensuring the board regularly meets to consider the Group's performance and key issues facing it;
- setting the agenda for the board meetings after consulting with the chief executive officer; and
- chairing general meetings.

### **3.3 Delegation to management**

As indicated above, the Board has retained ultimate responsibility for the strategic direction and control of the Group. The Board delegates management of the Company's resources to the executive team under the leadership of the Chief Executive Officer, to deliver the strategic direction and goals as determined by the Board. A key function of the Board is to monitor the performance of senior management in this function. The CEO conducts a formal review each year assessing the performance of senior management and reports back to the Board.

### **3.4 Delegation to committees**



The Board from time to time establishes committees to streamline the discharge of its responsibilities and, for each standing committee, adopts a formal charter setting out the matters relevant to the composition, responsibilities and administration of such committees.

The Board has adopted a formal charter, but has not established the following committees to advise and support the Board in carrying out its duties:

- Audit and Risk Committee; and
- Remuneration and Nominations Committee.

#### **4. Administrative matters**

The Board determines a schedule of meetings at the beginning of each year. Additional meetings are held as required to address specific issues. The agenda for meetings is prepared by the Company Secretary, in conjunction with the Chairman and Chief Executive Officer, with periodic input from the Board. Board papers are distributed to directors in advance of scheduled meetings. Board meetings may be held in person or virtually using communication facilities that allow all directors to attend.

The Company Secretary attends meetings of the Board as minute secretary. Senior executives will be invited to attend meetings (or parts of meetings) from time to time where the Board considers their involvement of assistance to the consideration of items of business before the Board.

All minutes of the Board meetings are approved by the Board and signed by the Chair as a true and correct record. The minutes are available for inspection by any director at any time. 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.

#### **5. Monitoring of the Board's Performance and Communication to Shareholders**

The Board will review periodically the membership and charters of the Board and its Committees to determine their adequacy under the then current circumstances and to determine that the Board's processes are adequate to ensure it is able to carry out its functions in the most effective manner.

The performance of the Board as a whole and the individual directors is evaluated by the Chairman. The performance evaluation includes an examination of the performance of the Board and individual Directors as against the Board Charter. The evaluation may establish goals and objectives for the Board and provide any recommendations for improvement to Board performance.

The Board aims to ensure that shareholders are informed of all information necessary to assess the performance of the directors. Information is communicated to the shareholders through:

- the annual report;
- other periodic disclosures in accordance with the Company's communications policy; and
- the annual general meeting and other meetings to obtain shareholder approval for Board actions as appropriate.

#### **6. Ethical Standards and Legal Duties**

##### **6.1 Duties**

The Board will operate in a manner reflecting the values of the Company and in accordance with its agreed corporate governance guidelines, the Constitution, the Corporations Act and all other applicable laws and regulations.

Directors must comply with their legal duties when discharging their responsibilities as directors. Broadly, these duties are:



- to act in good faith and in the best interests of the Company; and
- 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.

## 6.2 Conflicts of interest

Each director has a fiduciary and statutory duty not to place themselves in a position which gives rise to, or is perceived to give rise to, a real or substantial possibility of conflict, whether it be a conflict of interest or conflict of duties. Each director is required:

- to ensure that the Board is notified (whether by formal standing notice or notification to the Company Secretary or Board immediately on becoming aware) of any such conflicts of interest; and
- if any matter is or likely to be brought before the Board which could give rise to such a conflict of interest, then the director:
  - shall disclose this to the Board;
  - shall continue to receive Board papers or other information which relates to the matter which is the subject of the conflict of interest, unless the director requests, or the Chairman determines, that he or she shall not receive any or all of those documents;
  - shall withdraw from any part of a Board or Board Committee meeting for the duration of any discussion; and
  - not vote on the matter, unless a majority of directors who do not have an interest in the matter resolve that the disclosed interest should not disqualify the director.

## 7. Independence of Directors

If a director is or becomes aware of any information, facts or circumstances which will or may affect that director's independence, the director must immediately disclose all relevant details in writing to the Company Secretary and the Chairman.

The Board will regularly assess the independence of each director considering disclosures made.

If the Board determines that a director's status as an independent director has changed, that determination should be disclosed and explained in a timely manner to the market once the Company is listed.

An independent director is a non-executive director who is not a member of management and who is free of any interest, position, association, business or other relationship that might influence or be perceived to influence, in a material respect, the independent exercise of their judgement.

In considering whether a director is independent and the criteria against which the Board determines the materiality of a relationship, the Board is to have regard to:

- the relationships affecting the independent status of a director, adopting the ASX Corporate Governance Principles and Recommendations as an industry standard guideline;
- the materiality guidelines applied in accordance with Australian Accounting Standards;
- developments in Australian corporate governance standards; and
- any independent professional advice sought by the Board at its discretion. The Board considers a relationship to materially influence, or be perceived to materially influence, a director's independent judgement, where it is of substance and consequence and there is a real and sensible possibility that it would affect the director's judgement or that it could reasonably be perceived to do so.



## **8. External Directorships**

### **8.1 Non-executive Directors**

- A non-executive director should continually evaluate the number of boards of companies (and any committees of those boards) on which the non-executive director serves or is employed, to ensure that each company can be given the time and attention to detail required to properly exercise the director's powers and discharge the director's duties to that company, in addition to any review by the Remuneration and Nominations Committee of the time commitments required by the non-executive directors and whether these time commitments are being met.
- A non-executive director shall notify the Chairman prior to accepting an invitation to become a director of any company (other than Waterwerx Holdings Limited or any related body corporate). Prior to accepting such an invitation, the director must have regard to:
  - the views and recommendations of the Chairman with respect to the director acting simultaneously as a director of the Company and as a director of an external entity (whether in competition with the Company or not).
  - any current policies of the Board on multiple directorships; and
  - best practice standards on multiple directorships.

### **8.2 Executive Directors**

- An executive director shall not accept an invitation to become a director or employee of any company (other than Waterwerx Holdings Limited or any related body corporate) without the prior approval of the Board.

## **9. Board Members' Rights to Independent Advice**

The Board has procedures to allow directors, in the furtherance of their duties as directors or members of a Committee, to seek independent professional advice at the Company's expense, subject to the prior written approval of the Chairman.

## **10. Review of Charter**

This charter will be reviewed periodically as required.

This charter was approved and adopted by the board on 17 February 2026