

## **BOARD CHARTER**

### **Introduction:**

Magnis Energy Technologies Ltd (Magnis or the Company) is an Australian registered company listed on the ASX and is committed to exhibiting excellent governance and complying with the ASX Corporate Governance Principles and its board with its Code of Business Conduct and Ethics and in so doing achieving and maintaining a high standard of governance.

### **Purpose**

The Board's conduct is governed by the Corporations Act, the Constitution of the Company, the listing rules of the ASX and the Common Law. This charter sets out the roles and responsibilities of the Board of Magnis viz a viz its related bodies corporate (which together for the Magnis Group), its shareholders, staff and other stakeholders.

### **Membership**

The size of the Board is determined by the Board, subject to the limits contained in the Company's Constitution and by the shareholders. The re-election or election of the board is determined by the Corporations Law and any regulations set by the ASX Listing Rules and its Corporate Governance Principles

### **Role of the Board**

The Board is responsible for ensuring the success of the Magnis Group and is accountable to shareholders and stakeholders. In so doing it promotes and protects the interests of the Group and those stakeholders. Through the directors its duties and responsibilities include or limited to those set out below which it may delegate to committees of the board.:

- Define the company's purpose and demonstrate, promote and endorse a culture of acting lawfully, ethically and respectfully.
- Strategy - develop a Strategic Plan for the Company, including general and specific goals and reviewing that plan regularly by comparing actual results with those goals in the Plan.

- Leadership – leading by example and by applying the Company’s values and Code of Conduct which underpins the desired culture within the Company, which serves to protect and enhance its reputation in so doing the board will;
- Oversee the Groups accounting and corporate reporting.
- Develop and monitor the group’s corporate governance to ensure compliance with legal and regulatory compliance (including ASX corporate governance principles).
- Put in place and regularly review and update a risk management framework, not limited top financial and encompassing safety, wellness, environmental, social and any other non-financial ESG matters and address the risk appetite pursuant to which the board requires management to operate under.
- Develop, review and regularly update a crisis management plan and procedure.
- Set the sustainability, social and ethical standards for the Group, having particular regard for the diversity within the Group.
- Set, review and regularly update the remuneration policies for the Group.

### **Matters Reserved for the Board**

- Leadership – Together with the Nomination & Remuneration Committee’s input select, evaluate the performance of and remunerate the CEO/Managing Director
- Appoint the Chair and the composition of the Committees of the board which initially will be the following;
  - Audit & Risk Committee
  - Health Safety & Sustainability Committee
  - Nomination & Remuneration Committee
  - Continuous Disclosure Committee
  - Mergers & Acquisitions Committee
- Each of the Committees of the Board should have an independent director as its chair. To ensure good corporate governance is achieved the Chair of the board should also be an independent director and not an executive or past CEO or quasi-CEO.

- If the Chair of the board is not independent or is an executive chair then the board should consider the independent directors and determine who of those should be appointed as the Deputy Chair who will step into the role of Chair whenever the Chair is considered conflicted or absent.
- Where appropriate the board should receive guidance from the Nomination Committee and adopt as appropriate a succession plan to enable an independent person to be appointed to the role of chair of the board, without necessarily losing the experience of the non-independent or executive chair.
- The Chair's role is demanding as such, competing demands should be viewed cautiously when appointing any person to that position.
- Delegation of authority - Adopting clearly defined delegations of authority. Also Approving major capital expenditure, acquisitions and mergers or de-mergers in excess of the authority levels delegated to management.
- Annually approve the overall strategic plan and budget for the Group and then the subsidiary budgets and relevant KPI's for all.
- Financial position - Taking steps designed to protect the Company's financial position and its ability to meet its debts and other obligations as they fall due, this will entail the following;
  - Reviewing and approving any significant capital raising
  - Entering into debt funding arrangements
  - Major capital expenditure in furtherance and not approved as part of the budget approval process.
- Governance and regulators - maintain best industry corporate governance standards, approve the annual corporate governance statement, reviewing and monitoring the effectiveness of the Company's policies and practices, including the Securities Trading Policy, Modern Slavery Statement and Anti-Money Laundering, Bribery and Corruption policies;
- Financial and other reporting - in conjunction with the Audit & Risk Committee and the Continuous Disclosure Committee ensure the integrity of financial and other reporting and that the Company's financial reports are true and fair and are in conformity with Australian Accounting Standards and ASX Listing Rules and the Corporations Act.;

- Risk management and sustainability - Together with the Audit & Risk Committee and the Health, Safety & Sustainability Committee, review and monitor the material risks of the Company as advised by management, overseeing the integrity and effectiveness of the risk management and control systems and setting the risk appetite;
- Disclosure – In conjunction with the Continuous Disclosure Committee oversee the Company’s process for making timely and balanced disclosure of all material information concerning the Company.

### **Duties**

The Directors of the Company will always act with integrity and honesty and observe the highest standards of ethical behaviour. Directors will carry out their duties in accordance with the law and the Company’s corporate governance framework, policies and Constitution, including without limitation the Company’s Code of Business Conduct & Ethics and Securities Trading Policy. The Board will agree and abide by guidelines for declaring and dealing with potential conflicts of interest. The Directors will ensure that no decision or action is taken that has the effect of prioritising their own personal interests over the Company’s interests.

### **Relationship with Management**

The responsibility for the day-to-day management of the company and its operations is the CEO and Managing Director and where that is not possible due to the location or number of business units then the executive of the relevant business unit to the extent of their delegated authority. More particularly they are responsible for:

- Implementing the culture and policies that the board determines from time to time;
- Conducting any commercial negotiations;
- Developing and maintaining effective relationships with all the Group’s stakeholders, which includes employees, shareholders, joint venture partners and other business partners governments of all levels and in particular suppliers, customers and local communities;
- Providing updates to the board on the performance against all measures required by the board such that it can successfully carry out its functions and

responsibilities, in particular compliance with the Code of Business Conduct and Ethics and the Values of the Company.

### **The Company Secretary**

When requested by the board the Company Secretary will facilitate the flow of information to the Board, between it and its committees and between senior management and the board and its committees. The Company Secretary is accountable to the board through the Chair on all matters of Corporate Governance.

The company secretarial function supports Directors by providing:

- an induction for newly appointed directors and continuing education to update and enhance the knowledge of the board as the business environment changes;
- advice on corporate governance matters and implement the policies and procedures adopted by the board.
- Ensure that all board and committee meetings are organised, and the business of the meetings are accurately recorded in the minutes;
- Access to independent professional advice, where requested.

### **Composition**

It is the aim of the Board in conjunction with the Nomination & Remuneration Committee to ensure that the composition of the board comprises a majority (where possible) of independent Non-Executive Directors who, with any Executive Directors, comprise an appropriate mix of skills, experience and views to provide the necessary scope and depth of knowledge and experience to meet the Board's responsibilities and objectives. In addition, the Group is committed to achieving a greater diversity and this includes the composition of the board.

### **Performance Review**

Once a year, the board shall review critically:

- The board as a whole
- The board committees
- the individual directors other than the Chair: and
- the Chair

Periodically this will be carried out by an independent review by an external consultant.

Board will consider whether Directors have during the previous three years, been independent of management and free of any interest, position, association or business or other relationship.

The Board in conjunction with the Nomination & Remuneration Committee will regularly review the skills, knowledge and familiarity with the operations of the Group and the relative remuneration of the Board compared to peers to ensure the retention of an appropriately qualified group of independent non-executive directors.

### **Meetings**

The Board will meet regularly, and any Director is permitted to call a meeting. These meetings can be held without management or executive directors present.

The agenda and Board papers will be distributed to Directors in a reasonable time to enable Directors to properly prepare for meetings. Under the Constitution, a quorum for a Board of Directors meeting is three, which should, for good governance, comprise of at least one Non-Executive Director. For the purpose of effective Board decision making, input from a majority of Directors is desirable and, except in the rarest of occasions, a Board meeting will not be called unless a majority of Directors are able to attend.

### **Access to Information & Advice**

All directors are provided with access to company records and information through board and committee papers and all have been offered a Deed of Access and Indemnity to support this.

Management may be consulted by any board member provided prior notice is given to the CEO/Managing Director. Senior executives are required to supply the board with sufficient information and of a quality that enable the board to discharge its duties effectively.

The Board, its committees, or individual directors after receiving prior approval or notifying the Chair may seek independent external advice at the cost of the company necessary for them to discharge their duties and responsibilities. This will be sourced through the Company Secretary. Where the cost of that advice is paid by the

Company then such advice must be provided to all members of the board, through the Company Secretary.

### **Confidentiality**

The Directors acknowledge that all proceedings and records of the Board and its Sub-Committees are strictly confidential and that a director will be expected to resign from the Board if he or she commits a breach of this confidentiality.

### **Review of the Charter**

This Charter is to be reviewed by the Board at least every two years or if required beforehand. This Charter and the Charters adopted by the Board for the sub-committees have been prepared and adopted on the basis that firm corporate governance can add to the performance of the Company and create shareholder value through the confidence of the investment market.

The Board Charter shall be made available on the Company website.

### **Board Charter**

<b>Formed by:</b>	Company Secretary
<b>Approver:</b>	Board of Directors
<b>Issued:</b>	Apr 2020
<b>Reviewed, Amended and Approved:</b>	April 2023