powerHouse

Powerhouse Ventures Limited (PVL)

BOARD CHARTER

1. Role of the Board

The role of the Board is to provide overall strategic guidance and effective oversight of management. The Board derives its authority to act from the Company's Constitution.

2. The Board's relationship with management

PVL operates as a non-operating holding company (NOHC) with a portfolio of operating subsidiaries. The holding entity's own function is limited to Group treasury and holding specific investments in portfolio companies.

- The day-to-day running of each operating subsidiary is delegated to the relevant subsidiary board, which includes a Business Unit Head.

- The PVL Executive Chairman's role is Board-level oversight and setting the strategic direction of the Group. Operational authority for each Business Unit rests with its Business Unit Head, under delegated authorities approved by the Board.

- Business Unit Heads meet regularly with the NOHC Board to provide updates on operational and financial performance and raise any substantive matters to the NOHC, via the Board or its delegated committees. This allows the NOHC Board to monitor performance and hold management to account without assuming responsibility for day-to-day operations of the Business Units.

- In addition to formal reporting structures, Directors are encouraged to have direct communication with Business Unit Heads, group services personnel and other employees to facilitate the effective carrying out of their duties as Directors.

- We also have group services subsidiaries providing shared support functions across the Business Units.

3. Specific Responsibilities of the Board

In addition to matters it is expressly required by law to approve, the NOHC Board reserves the following matters to itself:

- Articulating the strategic direction of the Group and defining its purpose, and ensuring appropriate resources are available to meet subsidiary objectives, and monitoring subsidiary performance.
- Approving the Group's statement of values and Code of Conduct, and monitoring the implementation of that culture.
- Ensuring an appropriate framework exists for relevant information to be reported by management to the NOHC Board.
- Appointing and replacing any senior executives and the NOHC Company Secretary, and determining the terms of their employment including remuneration and termination.
- Approving the Group's remuneration framework and ensuring it is aligned with the Group's purpose, values, strategic objectives and risk appetite.

- Monitoring the timeliness and effectiveness of reporting to shareholders.
- Reviewing and ratifying systems of audit, risk management, internal compliance and control, and legal compliance.
- Approving and monitoring major capital expenditure, capital management, and significant acquisitions and divestitures.
- Approving and monitoring the budget and the adequacy and integrity of financial and other reporting.
- Approving annual, half-yearly and quarterly accounts and significant changes to the organisational structure.
- Approving decisions affecting the Group’s capital, including dividend policy.
- Recommending to shareholders the appointment or re-appointment of the external auditor.
- Ensuring a high standard of corporate governance practice and regulatory compliance.
- Procuring appropriate induction and professional development opportunities for Directors.

4. Composition of the NOHC Board

- The Board should comprise Directors with a mix of qualifications, experience and expertise appropriate to the Company's size and activities.
- New Board appointments should have regard to the candidate's ability to contribute to Board effectiveness, exercise sound judgement, and commit the necessary time.
- Board composition should be reviewed against a board skills matrix maintained by the Board (or nomination committee, where one exists).
- Where practical, the majority of the Board should comprise non-executive and independent directors; for small entities where the Board itself is the minimum size needed to operate, the Board discloses ("if not, why not") why an independent majority or independent chair is not currently in place, and its intention to review composition as the Group’s operations evolve.
- Length of service and relevant qualifications/experience of each Director must be disclosed in, or in conjunction with, the Annual Report.

5. Director Responsibilities (NOHC or subsidiary)

- Where a Director has an interest, position or relationship that could be perceived to affect independence, but the NOHC Board considers it does not compromise independence, the Group discloses the nature of that interest and the Board's reasoning.
- Directors must disclose their interests, positions and relationships, and these are assessed by the Board on an ongoing basis.
- Directors must declare immediately to the Board any potential or actual conflict of interest, and any loss of independence.
- Directors (other than a Managing Director) should not serve more than three years, or past the third AGM following appointment (whichever is longer), without re-election by shareholders.

6. The role of the Chair

- The Chair is responsible for the leadership of the NOHC Board, ensuring its effectiveness, setting the Board agenda, conducting Board meetings, and approving Board minutes.
- Where practical, the Chair should be a non-executive, independent director; where the Chair is not independent (common for smaller entities with an Executive Chairman), this is disclosed under the "if not, why not" model together with the Board's reasoning.
- The Chair facilitates the effective contribution of all Directors and promotes constructive relations between the Board and management.
- If the Chair is absent from a meeting, the Board appoints an acting Chair for that meeting.

7. NOHC Board Committees

Once the Board is of sufficient size, it should establish an audit and risk committee, a remuneration committee, and a nomination committee, each with a written charter approved by the Board. Where the Board does not consider a separate committee will benefit the Company — typically because the Board itself is at or near the minimum size needed to constitute a committee — the Board carries out the relevant duties directly, and discloses that fact together with the processes it employs to safeguard the integrity of its financial reporting, risk management, and remuneration and nomination decisions.

- Committee members are appointed by the Board and may be changed by resolution.
- Committee minutes are provided to the full Board following approval.
- The Company discloses committee membership, and (for each reporting period) the number of meetings held and individual attendance, in or alongside the Annual Report.

8. NOHC Board meetings

- The Board determines the quorum required for meetings; until otherwise determined, two Directors present constitutes a quorum.
- The Board schedules formal meetings regularly, with additional meetings (including by telephone/video) as required.
- Non-executive Directors may confer at scheduled times without management present.
- The Company Secretary prepares minutes, which are approved by the Chair and circulated to Directors after each meeting.

9. The NOHC Company Secretary

- The Company Secretary facilitates the flow of information between the Board, its committees, senior executives and non-executive Directors, when requested by the Board.
- The Company Secretary is accountable directly to the Board, through the Chair, on all matters concerning the proper functioning of the Board.
- The Company Secretary facilitates Director induction and professional development, and the implementation of Board policies and procedures.
- The Company Secretary provides advice to the Board on corporate governance, the Constitution, the ASX Listing Rules, and other applicable law.

- All Directors have access to the advice and services of the Company Secretary.
- The Board is responsible for the appointment and removal of the Company Secretary, by resolution.

10. Access to advice and induction

- All Directors have unrestricted access to Group's records and information, except where Information barriers require for compliance purposes or the Board otherwise determines access would be adverse to the Company's interests.
- All Directors receive briefings on material developments in laws, regulations and accounting standards relevant to the Group.
- New Directors are offered induction training tailored to their existing skills and experience, including briefings from senior executives, training on legal duties under relevant legislation and the ASX Listing Rules, and training on the Group's financial statements.
- The Board, its committees, or individual Directors may seek independent professional advice at the Company's expense, subject to prior consultation with the Chair; any advice received is made available to all Board members.

11. Performance Review

The Board (or nomination committee, where one exists) conducts a periodic performance review that compares Board performance against this Charter, critically reviews the mix of skills on the Board, and considers whether any amendments to this Charter are needed. Where no separate nomination committee exists, the full Board considers its own performance at least annually against these criteria, and in the context of the overall group remuneration reviews. The Board will disclose whether that evaluation was undertaken in each reporting period.