

# **Board Charter**

**Version: 2020, Version 5**

**August 2020**

# 1. Document Control

## 1.1. Purpose

The Board Charter sets out the functions and operations of the Board of Directors of iSelect.

## 1.2. Charter Information

Charter Contact:	Company Secretary	Charter Owner:	Board
Approval date:	24 August 2020	Effective Date:	24 August 2020
Review period:	Annual	Next review date:	24 August 2021

## 1.3. Record keeping requirements

Documents relating to this Policy will be retained for seven years after they have been superseded.

## 1.4. Document History

Version	Date Approved	Author	Description
v. 1	7 May 2013	External Legal Counsel	New charter created.
v.2	24 August 2015	Board	Update following periodic review
v.3	10 October 2016	Board	Update following periodic review
v.4	7 December 2018	Board	Update following periodic review
v.5	24 August 2020	Board	Update following the 4 <sup>th</sup> Edition Corporate Governance Principles and Recommendations and Amended Listing Rules

## 1.5. Definitions

Term	Definition
The Board	Means the Board of Directors of iSelect.
iSelect	Means iSelect Ltd (ACN 124 302 932).
ASX	Means the Australian Securities Exchange.

## **1.6. Related documents**

iSelect Constitution

## 2. Charter

### 2.1. The iSelect Board and overview of its role

The Board of iSelect is responsible for, and oversees the governance of, iSelect.

Corporate governance describes the way iSelect is directed and controlled. iSelect's Shareholders appoint Directors and hold them accountable for the performance of the company. A key part of Directors' responsibility is to ensure that an effective corporate governance structure operates in iSelect.

The governance structure should ensure that reasonable profit and growth targets are set and achieved and risk is properly managed, while taking into account the interests of our stakeholders. As well, iSelect's corporate governance culture and its way of doing business, including leadership by the Board and senior management, is critical to iSelect's continuing success.

This Board Charter sets out the functions of iSelect's Board by describing the structure of the Board and its committees, the need for independence and other obligations of Directors.

The Board will meet regularly on such number of occasions per year as the Board deems appropriate.

### 2.2. Functions of the Board

The Board strives to build sustainable value for shareholders whilst protecting the assets and reputation of iSelect. Its functions include:

- a) approving iSelect's strategies, budgets, plans and policies;
- b) assessing performance against strategies to monitor both the performance of management as well as the continuing suitability of strategies;
- c) reviewing operating information to understand at all times the state of health of the company;
- d) considering management recommendations on proposed acquisitions, divestments and significant capital expenditure;
- e) considering management recommendations on capital management, the issue or allotment of equity, borrowings and other financing proposals, guarantees of non-group liabilities, and restructures;
- f) ensuring that iSelect operates an appropriate corporate governance structure and compliance systems, in particular ensuring that iSelect acts legally and responsibly on all matters, in accordance with all applicable regulations and licensing requirements and that the highest ethical standards are maintained;
- g) approving iSelect's risk management strategy and frameworks, and monitoring their effectiveness;

- h) considering the social, ethical and environmental impact of iSelect's activities;
- i) maintaining a constructive and ongoing relationship with the exchanges and regulators, and approving policies regarding disclosure and communications with the market and iSelect's shareholders; and
- j) monitoring internal governance including delegated authorities, and monitoring resources available to senior executives.
- k) communicate with the shareholders and the community, at the appropriate times, the results of, and developments in, the business operations of the company and always in compliance with the obligations contained in the Listing Rules of the ASX.

With the guidance of the Board's Remuneration Committee:

- a) evaluating and approving the remuneration the Chief Executive Officer and other members of senior management, including the Chief Financial Officer and Company Secretary;
- b) approving superannuation arrangements, guidelines for employee share plans and remuneration incentive policies;
- c) ensure the remuneration policies are aligned with the iSelect's purpose, values, strategic objective and its risk appetite.

With the guidance of the Board's Nominations Committee:

- a) appointing, evaluating, rewarding or removing the Chief Executive Officer, and approving appointments or removal of all other members of senior management, including the Chief Financial Officer and Company Secretary;
- b) reviewing succession planning for Directors and senior management;
- c) appointing the Chair of the Board; and
- d) monitoring the mix of skills, experience, expertise and diversity on the Board and, when necessary, appointing new Directors, for approval by Shareholders.

With the guidance of the Audit and Risk Management Committee:

- a) approving policies on and overseeing the management of business and financial and non-financial risks (including foreign exchange and interest rate risks, enterprise risk and risk in relation to occupational health and safety);
- b) Ensuring that adequate procedures are in place to identify the principal risk of the iSelect's business and ensure the implementation of appropriate systems to manage these risks (for both financial and non-financial risks) based on a risk management framework which is reviewed a least annually;
- b) reviewing and monitoring processes and controls to maintain the integrity of accounting and financial records and corporate reporting including the external audit; and

- c) approving financial results and reports for release and dividends to be paid to Shareholders.

The functions listed are matters which the Board specifically reserves for itself and does not limit the Board's overall duties and responsibilities. The Board may delegate consideration to a committee of the Board specifically constituted for the relevant purpose.

### **2.3. Powers delegated to management**

The Board shall delegate to the Chief Executive Officer the authority and power to manage iSelect and its businesses within levels of authority specified by the Board from time to time. The Chief Executive Officer may delegate aspects of their authority and power but remain accountable to the Board for iSelect's performance and are required to report regularly to the Board on the progress being made by iSelect's business units.

The Chief Executive Officer's role includes:

- a) effective leadership of the management team;
- b) the development of strategic objectives for the business; and
- c) the day-to-day management of iSelect's operations.

### **2.4. Board structure**

The composition, structure and proceedings of the Board are primarily governed by iSelect's Constitution (a copy can be found on the company's website) and the laws governing corporations in jurisdictions where the company operates. The Board, with the assistance of the Nominations Committee, shall regularly review the composition and structure and performance of the Board.

### **2.5. Board composition**

The Board aims, as far as practicable, to have a Board of directors with a majority of Independent Non-Executive Directors and having the appropriate mix of skills, experience, expertise and diversity relevant to iSelect's businesses and the Board's responsibilities. In accordance with the Company's Constitution, the Board may comprise up to ten (10) individual Directors with a minimum of three (03).

## 2.6. Appointment and re-election of Directors

With guidance from the Nominations Committee and, where necessary, external consultants, the Board shall identify candidates with appropriate skills, experience, expertise and diversity in order to discharge its mandate effectively and to maintain the necessary mix of expertise on the Board.

The Nominations Committee undertakes appropriate checks to assess nominations of new Directors against a range of criteria including the candidate's background, experience, gender, professional skills, personal qualities and whether their skills and experience will complement the existing Board.

The criteria to assess nominations of new Directors is reviewed annually and the Nominations Committee regularly compares the skill base of existing Directors with that required for the future strategy of iSelect to enable identification of attributes required in new Directors.

Before appointment to the Board, candidates shall confirm that they will have sufficient time to meet their obligations to iSelect, in light of other commitments.

For shareholder meetings where Directors are standing for election or re-election, the notice of meeting may include:

- a) each candidate's biographical details, including skills, experience and qualifications;
- b) information sufficient to enable an assessment of the independence of the candidate (including details of relationships with iSelect and other directors);
- c) directorships held;
- d) particulars of other positions which involve significant time commitments;
- e) the term of office already served;
- f) a statement by the Board as to whether it supports the nomination of the proposed candidate; and
- g) any other relevant information, as well as particulars required by law.

Directors standing for election or re-election at a general meeting shall be asked to introduce themselves to shareholders at the meeting.

New Directors shall be provided with a formal letter of appointment setting out the terms and conditions of appointment, together with a timetable of Board and committee meetings scheduled by that time as well as other commitments, information on iSelect, and a copy of the Board Charter and relevant Company Policies. New Directors shall execute a Deed of Indemnity, Insurance and access.

All Directors (other than the Managing Director from time to time, if any) are subject to re-election by rotation at least every three years. Newly appointed Directors must seek re-election at the first general meeting of shareholders following their appointment.

## **2.7. Chair**

The Chair shall be elected by the Board. The Chair's role includes:

- a) providing effective leadership to the Board in relation to all Board matters;
- b) representing the views of the Board to the public;
- c) facilitating the effective contribution of all Directors;
- d) convening regular Board meetings throughout the year and ensuring that minutes of meetings accurately record decisions taken and, where appropriate, the views of individual Directors;
- e) guiding the agenda and conduct of all Board meetings;
- f) reviewing the performance of Non-Executive Directors;
- g) overseeing Non-Executive Director and senior management succession; and
- h) promoting constructive and respectful relations between the Board and management.

## **2.8. Company Secretary**

The Board appoints and removes the Company Secretary. All Directors shall have direct access to the company secretary.

The Company Secretary shall be accountable directly to the Board through the Chair on all corporate governance matters.

The Company Secretary shall be responsible for communication with the ASX about listing rule matters. The Company Secretary is responsible for the day-to-day operations of the company secretary's office, including:

- a) lodgements with the ASX and other regulators;
- b) the administration of Board and committee meetings (including drafting minutes of Board and committee meetings (for consideration and approval at the next relevant meeting) and promptly circulating the minutes after each meeting);
- c) the management of dividend payments and associated share plans;
- d) oversight of the relationship with iSelect's Share Registrar; and
- e) monitoring that all Board policy and procedures are followed.

## **2.9. Keeping Directors informed**

The Chair shall brief new Directors on their roles and responsibilities and make available the minutes and papers of Board and committee meetings.

New Directors shall also be briefed by the Chief Executive Officer and other members of senior management about iSelect, its structure, people, policies and culture, the industries in which it operates and business strategies and performance. Their induction will include a series of site visits to review operations.

Board papers are distributed at least four days before each meeting, except in urgent or exceptional circumstances. The Chief Executive Officer will send to directors a comprehensive monthly performance report – whether or not a Board meeting is scheduled. Directors will have unrestricted access to iSelect’s records and information.

Time is to be allocated at Board and committee meetings for continuing education on significant issues facing the company and changes to the regulatory environment. This is to include briefings by management and external consultants from time to time. These briefings and inspections of operations shall be arranged so as to give directors access to a wide range of employees.

## **2.10. Access to independent advice**

Directors may obtain independent professional advice at iSelect’s expense on matters arising in the course of their Board and Committee duties, after obtaining the Chair’s approval. A copy of any such advice shall be provided to all other directors and they must be advised if the Chair’s approval is withheld.

## **2.11. Non-executive directors’ meetings**

The Non-Executive Directors are expected to hold at least one meeting during the year with no management present, to review management performance.

## 2.12. Independence of Non-Executive Directors

To be judged independent, a Director must, in the opinion of the Board, be independent of management and have no business or other relationship that could materially interfere with – or could reasonably be perceived materially to interfere with – the independent exercise of that director’s judgement. The Board considers thresholds of materiality for the purpose of determining ‘independence’ on a case-by-case basis.

Without limiting the Board’s discretion, individuals would, in the absence of evidence or convincing argument to the contrary, be judged to be not independent if the Director:

- a) is, or has been, employed, or had previously been employed in an executive capacity by iSelect or any of its subsidiaries in the three years prior to becoming a director, or
- b) directly involved in the audit of iSelect or any of its subsidiaries, or
- c) a principal of a professional adviser or consultant to iSelect where the amount paid during the year for that advice or services exceeded 5% of the total fees earned by that firm or 5% of iSelect’s consolidated group revenue in the three years prior to becoming a director, or an employee materially associated with the service provided, or
- d) a supplier, or an officer of or otherwise associated directly or indirectly with a supplier to iSelect where the amount paid during the year by iSelect to that supplier exceeded 5% of the consolidated group revenue of that company or 5% of iSelect’s consolidated group revenue, or
- e) a customer, or an officer of or otherwise associated directly or indirectly with a customer of iSelect where the amount paid during the year by that customer to iSelect exceeded 5% of the consolidated group revenue of that company or 5% of iSelect’s consolidated group revenue, or
- f) a substantial shareholder of iSelect, or an officer of, or otherwise associated directly with, a substantial shareholder of iSelect, or
- g) represents, or is or has been within the last three years an officer of employee of, or professional adviser to a substantial holder, or
- h) in a material contractual relationship with iSelect or another group member other than as a Director of iSelect, or
- i) receives performance-based remuneration from, or participates in an employee incentive scheme of iSelect.

Any change in the nature of the independence status of a non-executive director must be promptly notified to the chair and company secretary.

The Board shall regularly review the independence of each Director in light of interests disclosed and will disclose any changes to the ASX, as required by the ASX Listing Rules.

### **2.13. Conflict of interest**

Directors must:

- a) disclose to the Board (through the Company Secretary and/ or Chairman) any actual or potential conflicts of interest which may exist or be through to exist as soon as they become aware of the issue;
- b) take necessary and reasonable measures to try to resolve the conflict; and
- c) comply with the Corporation Act provisions on disclosing interests and restrictions on voting.

If a conflict or a potential material conflict of interest arises, the Director concerned shall be absent from the meeting whilst the Board discusses the matter and not vote on the matter, unless the other directors who do not have a material personal interest in the matter have passed a resolution that states that those directors are satisfied that the interest should not disqualify the director from voting or being present. The provision of section 195(1) of the Corporations Act mandate these provisions.

### **2.14. Board committees**

The Board shall operate three committees, each comprising at least three Directors:

- a) Audit and Risk Management Committee;
- b) Nominations Committee; and
- c) Remuneration Committee.

Where practicable, each committee will be made up of a majority of Independent, Non-Executive Directors.

When appointing members of each Committee, the Board shall take account of the skills and experience appropriate for that Committee as well as any statutory or regulatory requirements.

The Chair of the Audit and Risk Management Committee shall not be the chair of the Board and, where practicable, shall be independent of management and iSelect. Where the Chair is not an Independent Director, a lead Independent Director will be appointed. The lead Independent Director will take over the role of the Chair when the Chair is unable to act in that capacity as a result of their lack of independence.

The three committees operated by the Board shall consider and determine the matters for which they are responsible in accordance with their charter. Copies of the Charter of each Committee shall be published on iSelect's website.

## **2.15. Review of Board, Committee and individual Directors' performance**

The Nominations Committee shall regularly carry out a formal review of the performance of the Board, its Committees, and each Non-Executive Director, using an external consultant where appropriate. The review shall involve interviews with Directors and those senior iSelect people interacting with the Board and its Committees. The review shall assess:

- a) the effectiveness of the Board and each Committee in meeting the requirements of its Charter;
- b) whether the Board and each Committee has members with the appropriate mix of skills and experience to properly perform their functions;
- c) the contribution made by each Director at meetings and in carrying out their responsibilities as Directors generally, including preparing for meetings;
- d) whether adequate time is being allocated to iSelect matters, taking into account each Director's other commitments;
- e) the independence of each Non-Executive Director, taking into account the Director's other interests, relationships and directorships;
- f) whether the content and timeliness of agendas, papers and presentations provided to the Board and each Committee are adequate for them properly to perform their functions; and
- g) any other comments or suggestions made during the interviews.

Each year, the Nominations Committee shall review the performance of the Chief Executive Officer and any other Executive Directors as may be appointed. This is in line with iSelect's annual performance appraisal, which requires that the performance of each member of management to be evaluated against pre-set goals, taking into account feedback from the relevant manager's supervising manager as well as peers and the people who report to them.

The Board approves guidelines/charters against which the Board, Committees established by the Board and individual directors are appraised. The outcomes of performance assessments, along with plans and objectives for the new financial year, are submitted to the Board for consideration.

Each year, a statement detailing the mix of skills and diversity which the Board is looking to achieve in membership to the Board should be included in iSelect's Annual Report.

Each year the Remuneration Committee shall review the remuneration of the Chief Executive and any other Executive Directors as may be appointed. This is in line with iSelect's annual performance appraisal and salary review process.

Each year, a statement detailing the existence and terms of any schemes for requirement benefits, other than superannuation, for Non-Executive Directors should be included in iSelect's Annual Report.

## **2.16. Restrictions on Share dealings by Directors**

In accordance with the iSelect Securities Trading Policy, Directors and senior management may not buy or sell iSelect shares during certain periods set out in that policy. The policy contains other relevant restrictions.

All iSelect share dealings by Directors must be promptly notified to the ASX.

## **2.17. Confidentiality**

All proceedings of the Board, including Board papers, presentations and other information provided to the Board, shall be kept confidential except as required by law or as agreed by the Board.

## **2.18. Review**

The Board will, at least once in each year, review this board charter to determine its adequacy for current circumstances and may amend it as necessary.

**END OF DOCUMENT**