



Board Charter

QANTM Intellectual Property Limited ACN 612 441 326

Approved by the QANTM Board on 26 October 2021

Board Charter

1. Role of the Board

The purpose of QANTM Intellectual Property Limited (ACN 612 441 326) (the **Company**) is to create long-term value for the Company's shareholders through provision of services associated with the creation, protection, commercialisation, enforcement and management of intellectual property rights.

The primary role of the board of the Company (the **Board**) is to facilitate the Company creating this value in a sustainable way, by overseeing the conduct of the business of the Company and its related bodies corporate (the **Group**), including the control and accountability framework, and working to ensure the adoption and continuous improvement of high standards of corporate governance and ethical conduct for the QANTM Group, respecting the interests of key stakeholders – clients, shareholders, employees, and the communities in which QANTM operates.

In carrying out this role, the Board will:

- (a) exercise oversight of, and provide leadership and support to, the QANTM Group's leadership and management team in the implementation of the Group's strategic objectives, and challenge and hold the management team to account as appropriate; and
- (b) act in accordance with the Group's values, which are articulated as follows:

We act with integrity, dignity and respect.

We deliver with excellence.

We achieve through teamwork and collaboration.

We embrace change.

We are passionate about innovation and creativity.

We practice the highest standards around ethics and transparency,

and support the Group's leadership and management team in promoting and reinforcing those values across the Group.

2. Board composition and independence

- 2.1 The Board will be constituted in accordance with the Company's Constitution and the *Corporations Act 2001* (Cth) (the **Act**), each of which recognise the rights of the Company's shareholders with respect to the determination of the composition of the Company's Board.
- 2.2 Subject to the provisions of its Constitution and the Act, the Company supports the *Principles of Good Corporate Governance and Best Practice Recommendations* published by the ASX Corporate Governance Council (the **Governance Principles**), and will endeavour to maintain a Board comprising a majority of non-executive directors who are independent (assessed on the criteria set out in the Governance Principles), possess an appropriate range of skills, experience and expertise and are able effectively to review and challenge the performance of management.
- 2.3 The Board regularly reviews the independence of each non-executive director in light of relevant information disclosed by those directors to the Board.
- 2.4 Each director is appointed by a formal letter of appointment.

3. The Board's responsibilities

The key responsibilities of the Board in fulfilling its role include the following:

3.1 **Strategy**

- (a) approving management's corporate strategy and providing strategic advice to management; and
- (b) regularly reviewing senior executives' performance and implementation of strategy against measurable and qualitative indicators decided by the Board and ensuring that appropriate resources are available for that process.

3.2 **Risk and compliance**

- (a) setting the risk appetite for the Company;
- (b) confirming the Company has in place appropriate frameworks for risk management (for both financial and non-financial risks), internal compliance and control, and legal and regulatory compliance, and confirming that appropriate compliance frameworks and controls are in place within the risk appetite within which the Board expects management to operate; and
- (c) monitoring and procuring compliance with legal and regulatory requirements and ethical standards and policies.

3.3 **Corporate governance**

- (a) reporting to shareholders;
- (b) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the entity that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (c) approving charters of Board committees;
- (d) satisfying itself that an appropriate framework exists for relevant information to be reported by management to the Board, challenging management and holding it to account;
- (e) reviewing and overseeing the implementation of the Company's code of conduct for directors and senior executives; and
- (f) monitoring and procuring compliance with corporate governance requirements appropriate to the size and nature of the Group's operations.

3.4 **Financial performance**

- (a) overseeing the integrity of the Company's accounting and corporate reporting systems (including the external audit) and monitoring financial and other reporting; and
- (b) approving operating budgets and major capital expenditure and monitoring the progress of major capital expenditure, capital management, acquisitions and divestitures.

3.5 **CEO / Managing Director and Executive Management**

- (a) appointing and removing the Chief Executive Officer and Managing Director;
- (b) monitoring the performance of the Chief Executive Officer and Managing Director;
- (c) approving the appointment and removal of senior executives, including key management personnel and direct reports to the Chief Executive Officer and Managing Director, and the Company Secretary;

- (d) approving organisational changes and the Group's remuneration framework, and satisfying itself that the Group's remuneration policies are aligned with the Company's purpose, values, strategic objectives and risk appetite; and
- (e) approving succession plans for management.

4. Chief Executive Officer / Managing Director

- 4.1 The Board has delegated to the Chief Executive Officer and Managing Director the authority to manage the day to day affairs of the Company and the authority to control the affairs of the Company in relation to all matters other than those responsibilities reserved to it in this Charter. The Board may impose further specific limits on delegations to the Chief Executive Officer and Managing Director. Those delegations of authority will be reviewed by the Board as appropriate.
- 4.2 The Chief Executive Officer and Managing Director will manage the Group in accordance with the strategy, plans and policies approved by the Board.
- 4.3 The Chief Executive Officer and Managing Director may not be the same person as the Chair.
- 4.4 The responsibilities of the Chief Executive Officer and Managing Director include:
 - (a) developing and recommending to the Board strategies, business plans and annual budgets for the Group;
 - (b) implementing the strategies, business plans and budgets adopted by the Board;
 - (c) making recommendations to the Chair and the Board with respect to the composition of the executive team reporting to the Chief Executive Officer and Managing Director, and providing effective leadership (including with respect to career development and remuneration), direction and supervision of the executive team to achieve the strategies, business plans and budgets adopted by the Board;
 - (d) developing and managing resources, policies and systems to facilitate the effective operation of the Group (including with respect to risk management, internal controls, human resources and effective communication with shareholders);
 - (e) managing resources within budgets approved by the Board;
 - (f) procuring compliance with applicable laws and regulations;
 - (g) procuring that the Board is given sufficient information within a reasonable time to enable the Board to perform its functions, set strategies and monitor performance;
 - (h) being accountable for the actions of the executive team;
 - (i) reporting to the Board; and
 - (j) acting within authority delegated by the Board.

5. Board Committees

- 5.1 The Board may delegate matters for consideration to committees for report and advice back to the Board.
- 5.2 The Board has established the following committees to assist it in carrying out its responsibilities, to undertake and share work and to consider certain issues and functions in detail:
 - (a) the Audit, Risk and Compliance Committee;
 - (b) the People, Remuneration and Culture Committee; and
 - (c) the Market Disclosure Committee.

The Board may establish other committees to consider other matters of special importance.

- 5.3 The charter or terms of reference of each Board committee, setting out matters relevant to the

composition, responsibilities and administration of the committee, must be approved by the Board. Each committee will review its charter from time to time as appropriate.

- 5.4 Directors are entitled to attend committee meetings and receive committee papers.
- 5.5 The Chair of each committee will report back to the Board at the next Board meeting.

6. Nominations

The Board is responsible for:

- (a) identifying and recommending to the Board candidates for the Board including the Chief Executive Officer and Managing Director;
- (b) identifying and assessing the necessary and desirable competencies and characteristics for Board membership and regularly assessing the extent to which those competencies and characteristics are represented on the Board;
- (c) establishing processes for identifying suitable candidates for appointment to the Board to facilitate an appropriate mix of expertise, experience and to support succession of the Board;
- (d) preparing, reviewing and updating on a regular basis a director's education and skills enhancement program;
- (e) ensuring that succession plans for Board and senior executives are in place; and
- (f) recommending the removal of directors.

7. Review of Board performance

7.1 The Board will:

- (a) review the performance of the Chief Executive Officer and Managing Director annually;
- (b) conduct an annual review of:
 - (i) the performance of the Board, both collectively and individually, and the effectiveness of processes of the Board and its committees; and
 - (ii) the skills of the Board to ensure that the Board maintains a sufficient number of directors with an appropriate skills mix; and
- (c) develop and ensure the implementation of continuing education programmes for directors.

7.2 A member of the Board must not preside over any review or assessment of their own performance.

8. Chair of the Board

8.1 The Chair of the Board:

- (a) is appointed by the directors;
- (b) must be an independent non-executive director; and
- (c) may not be the same person as the Chief Executive Officer and Managing Director.

8.2 The responsibilities of the Chair of the Board include:

- (a) providing leadership to the Board in the performance of its role and responsibilities;
- (b) promoting the interests of the Company and the Group in its relations with the Company's shareholders, governmental organisations, and the community in general;
- (c) promoting the effective and efficient organisation and conduct of the Board's functions;

- (d) confirming that the Board has an effective composition, size, skills mix and commitment to adequately discharge its responsibilities and duties;
- (e) ensuring annual evaluation of the performance of the Board;
- (f) facilitating Board discussions to ensure that core issues facing the Group are addressed and that the Board considers and adopts strategies designed to meet present and future needs of the Group;
- (g) facilitating the effective contribution and ongoing development of all directors;
- (h) promoting constructive and respectful relations between Board members and between the Board and management;
- (i) procuring that the Board regularly meets to consider the Group's performance and key issues facing it;
- (j) setting the agenda for the Board meetings after consulting with the Chief Executive Officer and Managing Director and other directors where appropriate and ensuring that appropriate time is devoted to discussion of key items and strategic issues;
- (k) mentoring and regularly meeting with the Chief Executive Officer and Managing Director;
- (l) chairing Board meetings; and
- (m) chairing general meetings.

9. Company Secretary

9.1 The Company Secretary acts as secretary of the Board, attending all meetings of the Board as required. The Company Secretary is accountable to the Board through the Chair on all corporate governance matters. It is understood that the Company Secretary may also be accountable on other matters to the Chief Executive Officer and Managing Director.

9.2 The Company Secretary is responsible for:

- (a) organising Board meetings and director attendance including coordinating an agreed annual calendar;
- (b) monitoring and reporting to the Board on compliance with Board policy and procedures;
- (c) coordinating the completion and dispatch of the Board agenda and briefing materials in a timely manner;
- (d) preparing draft minutes of meetings and draft resolutions of the Board and taking these to the Chair for initial approval and circulation to the Board;
- (e) circulating minutes from committee meetings to the Board; and
- (f) procuring that the Company complies with its requirements under the *Corporations Act* including regarding registered office, annual returns and ensuring all notices are lodged with the Australian Securities and Investments Commission.

10. Directors

10.1 Directors of the Company are expected to attend and participate in Board meetings and meetings of committees on which they serve, to review meeting materials before Board meetings and committee meetings, and to spend the time needed, and meet as often as necessary, to properly discharge their responsibilities.

10.2 Directors are encouraged to challenge management and hold them to account, ask questions, request information, and raise any issue of concern with, management, the auditor and other directors.

10.3 Directors must exercise independent judgment when making decisions.

- 10.4 Publicly, directors are expected to support the letter and spirit of Board decisions.
- 10.5 Directors must maintain confidentiality with respect to Board information, discussions, deliberations, and decisions that are not publicly known, and Company information.
- 10.6 Each non-executive director is expected to hold shares in the Company, providing a direct alignment of interests with the performance of the QANTM business, and the interests of other shareholders. As of 2 August 2019, the Board has adopted a requirement that each non-executive director must hold (or have a benefit in) shares in the Company equivalent to at least one year's base fees for that director. Subject to any restrictions on dealing under the terms of the Company's Securities Dealing Policy, such holdings must be acquired over three years from 30 August 2019 (for non-executive directors who commenced as such prior to that date) or from the date on which a non-executive director joins the Board (for other non-executive directors).

11. Conflicts

- 11.1 Directors are expected to be sensitive to actual and perceived conflicts of interest or duty that may arise and to be mindful of their fiduciary obligations.
- 11.2 Directors must:
- (a) disclose to the Board any actual or potential conflict of interest or duty that might reasonably be thought to exist as soon as the situation arises;
 - (b) respond to any concerns raised by the Board to any actual or potential conflict of interest or duty;
 - (c) take all necessary and reasonable actions including implementing any actions recommended by the Board to resolve, manage or avoid any actual or potential conflict of interest or duty; and
 - (d) comply with the *Corporations Act 2001* (Cth) and the Company's Constitution in relation to disclosing material personal interests and restrictions on voting.
- 11.3 If a conflict exists, it is expected that any director to whom the conflict relates will leave the room when the Board is discussing any matter to which the conflict relates.
- 11.4 Directors are expected to inform the Chair of any proposed appointment to another board or as an executive of another company as soon as practicable. Where the Board considers that the proposed appointment might give rise to a conflict of interest or detract from the time required of the director to discharge their duties to the Company, the director shall consider any recommendations of the Board including reviewing their position on the Board in light of the proposed appointment.

12. Directors' access to information and independent advice

- 12.1 Directors have the right to access any information they consider necessary in order to fulfil their responsibilities and exercise independent judgment when making decisions, including access to the Company's management and auditors (both internal and external).
- 12.2 Subject to the approval of the Chair (or where the Chair wishes to seek advice, the Chair of the Audit, Risk and Compliance Committee), or, in either case, the approval of two-thirds of the non-executive directors, Directors may obtain independent professional advice at the Company's expense with respect to matters they consider necessary to fulfil their responsibilities as directors, including as members of any committee of the Board.
- 12.3 Generally, this advice will be made available to all directors, unless it is personal to the issues of a director or a group of directors and subject to maintaining any legal professional privilege that may exist in that advice.

13. Investor Relations

- 13.1 The Board is responsible for ensuring that the Company has in place an investor relations program designed to promote effective communication with shareholders, provide shareholders with ready access to balanced and understandable information about the Group and its corporate goals, and encourage and facilitate easy participation in general meetings.

14. Approved and adopted

This Charter has been approved and adopted by the Board.

Date Approved: 26 October 2021