



**GLOBE INTERNATIONAL LIMITED (“the Company”)  
BOARD CHARTER**

The board of Globe International Limited is responsible to the Company and its shareholders for the following matters:

***A. The board***

Board size and composition:

- to determine the composition of the board, subject to the control of Globe’s shareholders and its Constitution.
- to identify and evaluate candidates for directorship.
- to conduct appropriate background checks before appointing a director
- to ensure written agreements in place with each director and senior executive setting out terms of their appointment
- to appoint directors to fill casual vacancies.
- to make recommendations to Globe’s shareholders for the appointment or removal of directors.

Chairman:

- to appoint the Chairman of Globe’s board.
- to monitor and assess the Chairman’s performance.

Board committees:

- to perform the duties that would otherwise be conducted by an audit and risk committee, a remuneration committee and an nomination committee.

The Business of the board:

- to determine the frequency, duration and agendas of board meetings.
- to critically assess the communications and relationships between the board and senior management and to monitor the efficiency of their interactions.

Board independence and performance:

- to assess the independence of non-executive directors.
- to monitor and control dealings in Globe’s securities by directors.
- to monitor declarations of interest by directors.
- to evaluate annually the performance of the board.

## ***B. Senior executive appointments:***

### The Chief Executive Officer (CEO):

- to select and appoint the CEO.
- to evaluate the performance of the CEO.
- to determine the duration, remuneration and other terms of appointment of the CEO.
- to develop and maintain a succession plan for the CEO.

### The Chief Financial Officer (CFO):

- to select and appoint the CFO.
- to monitor the performance of the CFO.
- to develop and maintain a succession plan for the CFO.
- to approve the duration, remuneration and other terms of appointment of the CFO.

### Senior management:

- to approve the processes for the appointment of Globe's senior executives, presidents and Company Secretary.
- to monitor the performance of senior management.

## ***C. Globe's business and controls:***

### Strategy:

- to provide oversight and strategic direction for Globe.
- to approve all significant corporate strategic initiatives.

### Finance:

- to oversee and approve Globe's budget annually.
- to monitor Globe's financial performance against its budget.
- to determine Globe's dividend policy.
- to determine the amount, nature and timing of dividend payments.
- to make determinations concerning Globe's capital structure, including the issue or buy-back of share capital and any changes of capital structure.
- to consider and approve interim and final financial statements, Globe's Annual Report (including directors' declaration) and ASX releases.

### Risk Management:

- to consider and approve Globe's risk management strategies, having regard to the recommendations of the CEO, CFO and external auditors.
- to review and approve Globe's risk management policies relating to credit, market and operational risks facing Globe.
- to monitor the effectiveness of Globe's risk management.
- to ensure that appropriate internal control mechanisms are in place and are being implemented.
- to maintain a direct and ongoing dialogue with Globe's auditors and principal regulators and ensure compliance with all regulatory requirements.

### Social and Ethical Responsibilities:

- to consider and review the social and ethical impacts of Globe's activities.
- to set standards for Globe's social and ethical practices.
- to monitor compliance with Globe's social and ethical policies and practices.

### Auditors:

- to select and appoint Globe's external Auditors.
- to determine the duration, remuneration and terms of appointment of Globe's Auditors.
- to evaluate the performance of the Auditors.

### Internal Governance:

- to determine the scope of authority (and any limits on that authority) which is delegated to the CEO or any other senior officer.
- to make appointments to the Boards (or controlling bodies) of entities which are controlled by Globe and ensure their performance in accordance with these principal.

### ***D. Responsibilities and Duties in relation to Audit and Risk Matters.***

In addition to its responsibilities and duties in relation to Globe's business and controls, the board had also undertaken additional responsibilities and duties in relation to Audit and Risk Matters, which were previously handled by the Board Audit and Risk Committee ("BARC").

These are as follows:

### Financial Reporting Processes:

- Review and discuss with management and the external auditor the annual audited financial statements and the half year unaudited financial statements and recommend to the board whether the financial statements should be adopted by the board and issued by the Group.
- Discuss with management and the external auditor significant financial reporting issues and judgments made in connection with the preparation of the Group's financial statements, including significant changes in the Group's selection or application of accounting principles.
- Review with the external auditor their report regarding significant findings in the conduct of their audit and the adequacy of management's responses.
- Discuss with management and the external auditor any major issues as to the adequacy of the Group's internal controls and any special steps adopted in light of material control deficiencies.
- Discuss with management and the external auditor, judgments on the quality and appropriateness of the Group's accounting principles as applied in its financial reporting, including use of alternative disclosures and accounting principle treatment.
- Discuss with management and the external auditor the Group's earnings releases, analyst presentations and other financial disclosures released to the ASX.
- Discuss with management and the external auditor the process surrounding and the disclosures made by the Chief Executive Officer and the Chief Financial Officer in connection with their personal certification of the annual financial statements.
- Discuss with management and the external auditor the Group's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Group's risk assessments and risk management policies.

### Oversight of the External Auditor:

- Recommend the selection and termination of the external auditor, subject to shareholder ratification, considering independence and effectiveness and approve the fees and other compensation to be paid to the external auditor.
- Annually review and discuss with the external auditors all significant relationships the external auditors have with the Group to determine the external auditor's independence. The external auditor shall report directly to the board.
- Discuss with the external auditor matters relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on scope of activities or access to requested information and any significant disagreements with management.
- Approve all permitted non-audit services to be performed for the Group by the external auditor. Non-audit service fees greater than \$10,000 must be approved by the board before work commences.
- Review the performance of the external auditor. Obtain and review a report from the external auditor at least annually on the auditor's internal quality control procedures. Obtain a report from the external auditor at least annually on the lead engagement staffs' qualifications and capabilities.
- Periodically consult with the external auditor out of the presence of management about internal controls and the fullness and accuracy of the Group's financial statements.
- Review annually the Group's policy on maintaining the independence of the external auditor and recommend any policy changes to the Board.

### Oversight of Globe Audit:

- Review the significant reports prepared by the auditors and management's responses.
- Review senior financial management's responsibilities, budgets and staffing and any recommended changes in the planned scope of senior financial management's activities.
- Review senior financial management's structure, independence and access to the board.

### Oversight of Operational Risks:

- Review the appropriateness of the framework adopted by the Group for managing operational risks.
- Review operational risk issues and action plans to address control improvement areas.

### Risk Management Oversight Responsibilities:

- Obtain reports from management that the Group and its subsidiary / foreign affiliated entities are in conformity with applicable legal and regulatory requirements and the Group's code of conduct.
- Review reports and disclosures of insider trading and related party transactions. Review the Group's policies and procedures regarding risk management with applicable laws and regulations and with the Group's code of conduct.
- Establish procedures for the receipt, retention and treatment of complaints received by the Group including accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- Discuss with management and the external auditor any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Group's financial statements or accounting policies.

- Discuss with the Group's legal counsel any legal matters that may have a material impact on the financial statements or the Group's risk management.

### ***E. Responsibilities and Duties in relation to Remuneration matters***

The Board also performs the functions of a Remuneration Committee. The Board applies a remuneration framework that ensures that remuneration for performance is competitive and appropriate for the results delivered.

The Board must ensure that all executive remuneration satisfies the following key criteria for good remuneration governance practices:

- Competitiveness and reasonableness
- Compensation linked and aligned to performance
- Transparency
- Capital Management