



# **Ainsworth Game Technology Limited**

**ACN: 068 516 665**

## **BOARD CHARTER**

**23 June 2022**

**Version 1.004**

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## **BOARD CHARTER**

### **Ainsworth Game Technology Limited (“the Company”)**

#### **ROLE**

The role of the Board is to protect and enhance the long-term shareholder value by:

- Representing shareholders and serving the interests of the Company by overseeing and evaluating the Company's strategies, policies and performance;
- Reviewing and monitoring the Company's risk, control and accountability systems;
- Ensuring that shareholders are kept informed of the Company's performance and major developments which may affect its state of affairs; and
- Monitoring compliance with regulatory, constitutional and ethical standards.

In discharging their responsibilities, the Board members have a duty to act in the best interests of the Company as a whole, irrespective of personal, professional, commercial or other interests, loyalties or affiliations.

#### **BOARD COMMITTEES**

In accordance with the Company's Constitution, the Board may establish committees and delegate any of their powers to its committees to assist in carrying out its responsibilities. The Board will determine and review regularly the charters and memberships of its committees.

The standing committees of the Board are:

- a) Audit & Risk Committee;
- b) Remuneration and Nomination Committee; and
- c) Regulatory and Compliance Committee

#### **RESPONSIBILITIES AND POWERS RESERVED FOR THE BOARD**

In order for the Board to execute its role effectively, the following are the responsibilities of the Board:

- a) Monitoring the effectiveness of the Company's corporate governance practices;
- b) Continuous adherence to the Australian Securities Exchange (ASX) Corporate Governance Principles and Recommendations;
- c) Providing leadership and setting the strategic directions of the Company;
- d) Approving and monitoring operating budgets and major capital expenditure;
- e) Overseeing management's implementation of the Company's strategic goals and its performance;
- f) Review process and procedures designed to ensure timely and balanced disclosure, including compliance with the ASX listing rules on continuous disclosure;
- g) Ensuring appointments, removals and succession plans for directors and where necessary, seeking shareholder approval;
- h) Considering the recommendations of the Remuneration and Nomination Committee regarding the appointment, removal and creation of succession policies for the CEO and senior executives;
- i) Considering the recommendations of the Remuneration and Nomination Committee regarding the review of the performance of the CEO and senior executives and approval of the Company's remuneration framework;

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- j) Considering the recommendations by the Regulatory and Compliance Committee regarding compliance related matters and procedures to ensure that the Company maintains a high standard of compliance with all of its gaming regulatory and license obligations;
- k) Considering the recommendations of the Audit & Risk Committee in relation to the integrity of the entity's accounting and corporate reporting system, the effectiveness of the Company's risk management framework and setting the risk appetite within which the Board expects the management to operate; and

Matters that are specifically reserved for the Board and its committees include the following:

- a) Appointment and removal of the CEO and Company Secretary;
- b) Appointment of directors to fill a vacancy or as additional directors;
- c) Establishment of Board Committees, their membership and delegated authorities;
- d) Review and approval of ASX market sensitive announcements (non-market sensitive announcements are permitted once approved by the Company Secretary) and corporate governance principles;
- e) Approval of dividends;
- f) Approval of major capital expenditure, acquisitions, and divestitures in excess of limits delegated to management; and
- g) Any other specific matters nominated by the Board from time to time.

### **RELATIONSHIP WITH MANAGEMENT**

The Board gives direction and exercises judgement in setting the Company's objective and overseeing their implementation. The Board authorises the CEO to manage the Company's day to day operations and implementation of the Group's strategy and policy initiatives. The CEO then delegates these responsibilities to other senior executives within the limits of specific authorities outlined in the delegations approved by the Board.

Management must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively. Directors are entitled to request additional information at any time when they consider it appropriate.

The Company Secretary is accountable directly to the Board, through the Chairperson on all matters to do with the proper functioning of the Board. Each director is entitled to access the advice and services of the Company Secretary.

The Board will regularly review the division of functions between the Board and Management to ensure that it continues to be appropriate to the needs of the entity.

### **COMPOSITION OF THE BOARD**

The Board is to pursue the objective to ensure a majority of independent non-executive directors.

The composition of the Board is regularly evaluated and reviewed to ensure it provides a broad range of skills, personal qualities, expertise, ability to exercise independent judgement and diversity to discharge its responsibilities.

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When the Chairperson is not an independent director, a lead independent director is appointed to ensure that conflicts which may arise are dealt in line with ASX Corporate Governance Principles and Recommendations.

### **INDEPENDENCE**

The Board regularly assesses the independence of each Director. For this purpose, an independent director is a non-executive director whom the Board considers to be independent of management and have no other significant business or other link to the Company that could materially interfere with the exercise of independent judgement. In determining whether a director is independent, the Board needs to consider the following:

- a) The relationship affecting the independent status of a director as describe in the Company's Corporate Governance Statement;
- b) Any information, facts, or circumstances that the Board considers relevant; and
- c) Any materiality thresholds that the Board has determined.

An independent director must promptly notify the Chairperson and Company Secretary of any change of his or her independence status.

### **CONFLICTS OF INTEREST**

Board members will be invited to disclose conflicts of interest at the commencement of each meeting. Ongoing conflicts of interest need not be disclosed at each meeting once acknowledged. Where members or invitees are deemed to have a real or perceived conflict of interest, they will be excused from Board discussions on the issue where a conflict exists.

### **INDUCTION OF NEW DIRECTORS**

An induction process for all new directors is to be undertaken to ensure that they understand the nature of the business, current issues, the objectives of the Company and the expectations of the Company concerning the responsibilities and performance of directors.

This induction process includes:

- a) Providing a copy of the Board and its committees Charter and recent Board papers and minutes;
- b) Providing copies of relevant company policies; and
- c) Meetings with management to gain a better understanding of the business operations and discuss any matters as required.

### **ACCESS TO INFORMATION AND INDEPENDENT ADVICE**

Each director has the right to access all required information. This right entitles each director to seek independent professional advice at the organisation's expense, subject to informing the Board. A copy of the advice received by a director should be made available to all members of the Board.

This right applies to all members of the Board whether serving on Board committees or the Board itself. The Board has the authority to conduct any investigation appropriate to fulfilling its responsibilities and is provided with the right to direct access to anyone in the organisation.

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### **CONTINUING EDUCATION**

Directors are encouraged to monitor the needs and opportunities for further education to ensure that the required skills and knowledge are consistent with the business needs.

### **PERFORMANCE EVALUATION**

The Chairperson of the Board is responsible for evaluating the performance of the Board, its committees and individual directors.

The process for conducting the Board's performance review consists of individual interviews with each director. The review includes an assessment of the individual contribution of each Board member as well as the performance of the Board as a whole. The review will assess, amongst other things:

- a) Each director's contribution to setting the direction, strategy and financial objectives of the Group;
- b) The effectiveness of the Board and each committee in meeting the requirement of its Charter; and
- c) Each director's compliance with regulatory requirements and ethical standards.

The results of each review are presented and discussed at a Board Meeting.

### **REVIEW OF THE BOARD CHARTER**

The Board will review the Charter at least every two years to ensure that it meets the ASX Corporate Governance Principles and Recommendations and the needs of the Board and all shareholders.

The Board must approve any amendments made to the charter as a result of any review.

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**BOARD CHARTER****AMENDMENTS/CHANGE HISTORY**

<b>Rev</b>	<b>Date</b>	<b>Author</b>	<b>Position</b>	<b>Board Approval Date</b>
1.001	15/09/2015	M Ludski	CFO/Company Secretary	17/09/2015
1.002	20/10/2020	M Ludski	CFO/Company Secretary	28/10/2020
1.003	23/06/2021	M Ludski	CFO/Company Secretary	23/06/2021
1.004	23/06/2022	M Ludski	CFO/Company Secretary	23/06/2022