



BOARD CHARTER

ASF Group Limited

ABN: 50 008 924 570

ASX Code: AFA

ASF Board Charter

The Company has adopted a formal Board Charter which details the functions and responsibilities of the Board and distinguishes such functions and responsibilities from those which have been delegated to management.

The Board is responsible for the management of the affairs of the Group, and:

- * contributes to and approves the Group's corporate strategy;
- * approves the Group's annual budgets and business plans and monitors financial performance against them;
- * approves capital expenditure in relation to material corporate transactions, being of a nature, or in excess of delegated monetary levels, determined by the Board from time to time;
- * approves major Group policies, including the Group's Code of Conduct, Risk Policy, Share Trading Policy, and the Continuous Disclosure Policy and other compliance-related policies;
- * approves significant accounting policies and the Group's financial reports and material reporting requirements;
- * appoints the Group's senior executives;
- * monitors the performance of the Group's senior executives.
- * reviews the performance and effectiveness of the Board, the Board's permanent Committees and their individual members.
- * approves the appointment and terms of appointment of the external auditor.
- * considers, approves and monitors the effectiveness of the Group's overall risk management and control framework, through, among other steps, regular reports to the Board through the Audit and Risk Management.
- * approves and reviews the performance and effectiveness of the Company's corporate governance policies and procedures.

The Board Charter also sets out the specific powers and responsibilities of the Chairman and CEO. Those delegated powers are subject to the specific powers and authorities delegated to the various Board Committees and the following powers which are retained by the Board:

- * contracts, commitments and capital expenditure above specified thresholds and limits determined by the Board from time to time;
- * expenditure outside the ordinary course of business in excess of thresholds or limits specified by the Board for this purpose;
- * major strategic decisions;
- * the issue of any equity securities by the Company, except under a programme previously approved by the Board; and
- * commencing or taking a significant step in major litigation.

The Board has delegated to management, responsibility for: strategy – developing and implementing corporate strategies and making recommendations on significant corporate strategic initiatives.

- * senior management selection – making appointments; determining terms of appointment and termination of senior management.

- * evaluating performance of senior management roles and the remuneration strategy and policies and the level of remuneration for senior executives.
- * financial performance – developing our annual budget and managing day-to-day operations within the budget.
- * risk management – maintaining effective risk management frameworks and providing the Board with timely and relevant information on the risks faced by the Company and how they are managed.
- * continuous disclosure – keeping the Board and market fully informed about material developments.
- * corporate responsibility – managing day-to-day operations in accordance with standards for social, ethical and environmental practices which have been set by the Board.

To assist Directors to understand the Company's expectations of them, the Non-Executive Directors have been issued with formal letters of appointment and the Executive Directors have formal employment contracts governing their employment.