

Reserved Powers Policy

Service Stream



Overview

Service Stream Limited's Board has approved Reserved Powers that set out the matters specifically reserved for determination by the Board, as distinct from the matters that are delegated to management.

Matters reserved for Board

The matters specifically reserved for Board approval under this Reserved Powers Policy include decisions about Company strategy, financial plans, major policies, the issue of equity and matters involving amounts over specified limits (which vary depending upon the nature of the transaction).

The Board also has authority, through the Remuneration and Nominations Committee, for succession planning and remuneration for the Managing Director and members of the Executive Team.

Delegation to the Managing Director

All matters not specifically reserved for the Board and which are necessary for the day to day management of the Company are delegated by the Board to the Managing Director. On this basis, the Managing Director has general authority to run the company.

Delegation by the Managing Director

The Managing Director is responsible for developing and implementing a Delegation of Authorities Policy for the delegation of his authorities to the members of the Executive Team and to other levels of management throughout the company as appropriate.

The Board Audit and Risk Committee is responsible for reviewing and endorsing the Delegation of Authority Policy and for conducting periodic reviews of the currency and appropriateness of delegations issued under this policy.

Reserved Powers

The Board reserves authority over the following specific decisions and areas of activity.

Reserved Powers Policy

Service Stream

These are the Board Reserved Powers:

Accounting and financial reporting	Customer contracts
<ul style="list-style-type: none">Approval of half-year and full-year financial statements	<ul style="list-style-type: none">Fixed price lump sum contracts with a contract value greater than \$50mTermed contracts with a duration greater than 5 yearsTermed contracts with projected revenue greater than \$250m over the term and/or \$75m revenue in the first yearChanges to the 'Golden Rules of Contracting'
Acquisitions and divestments	External affairs
<ul style="list-style-type: none">Acquisition or divestment of companies or businessesEstablishment of Joint Ventures or Partnerships	<ul style="list-style-type: none">Release of Group results and/or market presentationsTiming and conduct of shareholder meetingsRelease of ASX announcements (excluding ASX Appendix Forms)
Audit	Group policies
<ul style="list-style-type: none">Appointment or replacement of external auditorsAppointment or replacement of Manager Group Risk	<ul style="list-style-type: none">Reserved Powers PolicySustainability ReportModern Slavery Statement
Banking	Governance
<ul style="list-style-type: none">Establishment of new banking facilities over \$50mCommitment to issue bank guarantees over \$10m	<ul style="list-style-type: none">Appointment of directors to Parent and Group companiesEstablishment of Board CommitteesAppointment or changes to membership of Board CommitteesCorporate Governance Statement

Reserved Powers Policy

Service Stream

Budgets	Health, safety and environment
<ul style="list-style-type: none"> • Annual capital expenditure budget • Annual operating budget 	<ul style="list-style-type: none"> • Environment and OHS Policies
Capital expenditure	Human resources
<ul style="list-style-type: none"> • Acquisition of land • Lease/sub-lease of property with a term greater than 5 years or annual rental greater than \$5m • Commitment to purchase a capital asset over \$2m • Disposal of assets with WDV over \$5m 	<ul style="list-style-type: none"> • Appointment, dismissal and remuneration of Managing Director • Appointment, dismissal and remuneration of Executive Team members • Short term incentive plan • Long term incentive plan and issue of securities under LTIP • Employee share scheme and issue of securities under ESS
Capital Management	Risk management
<ul style="list-style-type: none"> • Dividends Policy • Dividend payments • Issue of equity • Appointment of underwriters • Mortgage and security over Group assets • Loans to parties other than 100% subsidiaries • Share buy-backs • Dividend reinvestment plans 	<ul style="list-style-type: none"> • Risk Management Plan (including D&O insurance policy) • Taxation Risk Management Policy • Treasury Risk Management Policy

Reserved Powers Policy

Service Stream

Company structure	Strategy
<ul style="list-style-type: none">• Major changes in the organisation and shape of the Group• Incorporation of a new legal entity• Liquidation of a current legal entity• Closure of an existing business with annual revenue over \$10m	<ul style="list-style-type: none">• Approval of Group Strategy• Entry into new fields of operation
	Other material matters
	Approval of all other material matters which would have or would be likely to have an impact on the share price or have other strategic importance to the Company.