

## RESERVED POWERS POLICY

### 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, issues of equity or guarantees and matters involving amounts over specified limits (which vary depending upon the nature of the transaction) or with the potential to have a material impact on the reputation of the Company.

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.

These are the Board Reserved Powers:

<b>Accounting and financial reporting</b>	<b>Customer contracts</b>
<ul style="list-style-type: none"> <li>▶ Approval of half-year and full-year financial statements</li> </ul>	<ul style="list-style-type: none"> <li>▶ Contract renewal greater than \$50m</li> <li>▶ New contract greater than \$50m</li> <li>▶ Acceptance of contract conditions in breach of “Golden Rules”</li> </ul>
<b>Acquisitions and divestments</b>	<b>External affairs</b>
<ul style="list-style-type: none"> <li>▶ Acquisition or divestment of companies or businesses</li> <li>▶ Establishment of Joint Ventures or Partnerships</li> </ul>	<ul style="list-style-type: none"> <li>▶ Release of Group results and/or market presentations</li> <li>▶ Timing and conduct of shareholder meetings</li> <li>▶ Release of ASX announcements</li> </ul>
<b>Audit</b>	<b>Group policies</b>
<ul style="list-style-type: none"> <li>▶ Appointment or replacement of external auditors</li> <li>▶ Appointment or replacement of internal auditors</li> </ul>	<ul style="list-style-type: none"> <li>▶ Reserved Powers Policy</li> </ul>
<b>Banking</b>	<b>Governance</b>
<ul style="list-style-type: none"> <li>▶ Establishment of new banking facilities over \$10m</li> <li>▶ Commitment to issue bank guarantees over \$5m</li> </ul>	<ul style="list-style-type: none"> <li>▶ Appointment of directors to Parent and Group companies</li> <li>▶ Establishment of Board Committees</li> <li>▶ Appointment or changes to membership of Board Committees</li> <li>▶ Corporate Governance Policy</li> </ul>
<b>Budgets</b>	<b>Health, safety and environment</b>
<ul style="list-style-type: none"> <li>▶ Annual capital expenditure budget</li> <li>▶ Annual operating budget</li> </ul>	<ul style="list-style-type: none"> <li>▶ Environment and OHS Policies</li> </ul>
<b>Capital expenditure</b>	<b>Human resources</b>
<ul style="list-style-type: none"> <li>▶ Acquisition of land</li> <li>▶ Lease/sub-lease of property over \$5m</li> <li>▶ Commitment to purchase capital asset over \$2m</li> <li>▶ Disposal of assets with WDV over \$5m</li> </ul>	<ul style="list-style-type: none"> <li>▶ Appointment, dismissal and remuneration of Managing Director</li> <li>▶ Appointment, dismissal and remuneration of Executive Team members</li> <li>▶ Short term incentive plan</li> <li>▶ Long term incentive plan and issue of securities under LTIP</li> <li>▶ Employee share scheme and issue of securities under ESS</li> </ul>
<b>Capital Management</b>	<b>Risk management</b>
<ul style="list-style-type: none"> <li>▶ Dividends Policy</li> <li>▶ Dividend payments</li> <li>▶ Issue of equity</li> <li>▶ Appointment of underwriters</li> </ul>	<ul style="list-style-type: none"> <li>▶ Risk Management Plan (including insurance strategy)</li> <li>▶ Taxation Risk Management Policy</li> <li>▶ Treasury Risk Management Policy</li> </ul>

- ▶ Mortgage and security over Group assets
- ▶ Loans to parties other than 100% subsidiaries
- ▶ Share buy-backs
- ▶ Dividend reinvestment plans

### Company structure

- ▶ Major changes in the organisation and shape of the Group
- ▶ Incorporation of a new legal entity
- ▶ Liquidation of a current legal entity
- ▶ Entry into new fields of operation with first year revenue over \$10m
- ▶ Closure of an existing business with annual revenue over \$10m

### Strategy

- ▶ 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

Agree to commence to 'Works' on sites outlined under Schedule 14 of the Telstra SMR contractual agreement

**Chairman of the Board**

**Date**

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