

BOARD CHARTER

1. General Purpose

This charter sets out the role, responsibilities, structure and processes of the Board of Service Stream Limited and the manner in which its performance, and that of its committees and directors, will be evaluated.

2. Board Responsibilities

- a) The Board's key responsibilities are:
- ▶ Approving the strategic direction and financial objectives for Service Stream and monitoring implementation
 - ▶ Approving significant corporate strategic initiatives
 - ▶ Monitoring implementation of effective risk management frameworks that identify, assess and manage business risks
 - ▶ Monitoring the integrity of financial accounts and reporting
 - ▶ Approving Service Stream's annual budget, significant capital expenditure and capital management decisions
 - ▶ Approving Service Stream's significant policies
 - ▶ Overseeing compliance with regulatory and ethical standards
 - ▶ Appointing the Managing Director and monitoring the performance of the Managing Director and senior management.
- b) The Board will exercise these responsibilities in a manner designed to create and build value for shareholders and in accordance with relevant legal and governance obligations.

3. Delegation to Management

- a) The Board has delegated responsibility for the day to day management of Service Stream to the Managing Director but has reserved to itself certain decisions as set out in the Board Reserved Powers Policy.
- b) The Managing Director must also consult with the Board on matters that have, or may have, a material impact on Service Stream in terms of value or reputational risk or which are of a sensitive or strategic nature.

4. Board Committees

- a) The Board has established the following committees to assist it in the discharge of its responsibilities:
- ▶ Remuneration and Nomination Committee
 - ▶ Safety Committee
 - ▶ Audit and Risk Committee.
- b) The Board will approve a formal charter setting out matters relevant to each committee's composition, role and responsibilities. Charters will be reviewed on an annual basis.

5. Board Composition

5.1 Number of Directors

- a) In compliance with Service Stream's Constitution and the Corporations Act, there must be at least three directors and not more than twelve directors. The minimum and maximum number of directors may be changed by resolution passed by the shareholders of Service Stream.
- b) Within these limits, the actual number of directors will be determined by the Board from time to time, depending on the Company's needs, the mix of skills, experience and capacity of the incumbent directors, and the availability of suitable candidates.

5.2 Independence

- a) It is intended that the Board will comprise a majority of independent directors. In determining this majority, an alternate director is not counted unless he or she is not independent and is an alternate for an independent director.
- b) The Board endorses the independence criteria and the following assessment outlined in commentary to the ASX Corporate Governance Principles: *"A director of a listed entity should only be characterised and described as an independent director if he or she is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the entity and its security holders generally"*.

5.3 Appointment of Directors

- a) The Remuneration and Nomination Committee will oversee the process for the selection, appointment, and re-election of directors to the Board.
- b) Having regard to the recommendations of the Remuneration and Nomination Committee, the Board will review the skills represented by the members of the Board annually and determine whether the composition and mix of those skills continue to be appropriate for Service Stream.
- c) The actual appointment or re-election of a director will be a matter for the Board and shareholders of Service Stream in accordance with the Constitution. However, prior to a director being nominated for appointment or re-election, appropriate checks will be made by the Company. Shareholders will also be provided with all material information to a decision on whether or not to elect or re-elect a director.

6. Conflicts of Interest

All directors are required to take all reasonable steps to avoid actual, potential or perceived conflicts of interests. Under the constitutions and at law, directors must disclose any conflicts of interest and abstain from participating in any discussion or voting on matters in which they have a material personal interest.

The following procedures are to be followed by a director who believes they may have a conflict of interest or material personal interest:

- a) the director must disclose to the Board any actual or potential conflict or material personal interest which may exist, or might reasonably be thought to exist, as soon as it arises;

- b) a determination as to whether or not a conflict exists will be made, and if necessary this determination will be made by a sub-committee of the Board that excludes the potentially conflicted director; and
- c) an appropriate course of action will be set based on the determination made, and such action may require the conflicted or interested director to absent themselves when the Board discusses and votes on matters to which the conflict or interest relates.

7. Board Performance

The Board will undertake ongoing assessment and review of performance of the Board, Committees and individual directors annually.

8. Independent Advisors

The Board collectively and each director individually has the right to obtain independent professional advice at Service Stream's expense, with approval by the Chairman (except where the advice is about a matter in which the Chairman has a material personal interest) or where the approval of the Board has been sought.

9. Review of Charter

The Board will review this Charter annually and make any appropriate amendments