

## Board responsibilities

The Board of Directors is accountable to shareholders for the performance of Salmat Limited and its subsidiaries (the Salmat Group).

The Board has delegated responsibility for the management of the Group through the Chief Executive Officer to executive management. There is a clear division of responsibilities between those of the Board and of management. The Chief Executive Officer is accountable to the Board for all authority delegated to executive management. The Board has also delegated some of its responsibilities to committees of the Board. These delegations are outlined in the Board approved Committee charters.

The composition of the Board is subject to shareholder approval. The Board has a majority of independent non-executive Directors.

The Chairman must be a non-executive Director. The Board will be independent of management and all Directors are required to bring independent judgement to bear in their Board decision making.

The Board is required to undertake an annual Board performance review and consider the appropriate mix of skills required by the Board to maximise its effectiveness and its contribution to the Group.

The Chairman is responsible for leading the Board, ensuring that Board activities are organised and efficiently conducted and for ensuring Directors are properly briefed for meetings.

The matters specifically identified and reserved for decision-making by the Board include:

- Adoption of the strategic direction of the Group
- Appointment of the Chief Executive Officer and succession planning
- Approval of accounts, operating results, business plans and budgets
- Approval of financial policies and significant capital expenditure
- Monitoring business risk areas and strategies employed by management
- Monitoring financial performance including approval of the annual and half-year financial reports
- Ensuring there are effective management processes in place and approval of major corporate initiatives
- Ensuring there is an effective "whistleblower" policy in operation
- Reporting to shareholders