

HALLENSTEIN GLASSON HOLDINGS LIMITED

BOARD CHARTER

1 PURPOSE OF CHARTER

- 1.1 This Charter formalises and sets out the role, the composition, and the manner in which the HGHL board of directors (the *Board*) will exercise and discharge its powers and responsibilities.
- 1.2 The Board intends that HGHL and its subsidiaries (the *Group*) operate in line with the recommendations set out in the NZX Corporate Governance Code (the *Code*), except in instances where the Board considers an alternative governance approach is more appropriate for HGHL.
- 1.3 The conduct of the Board is also governed by law (including the Companies Act 1993), the NZX Main Board Listing Rules (the *Listing Rules*) and HGHL's constitution (the *Constitution*), a copy of which is located on HGHL's website at <https://www.hallensteinglasson.co.nz>. This Charter should be read in conjunction with the Constitution.

2 BOARD COMPOSITION

- 2.1 The Constitution provides that HGHL must have a minimum of five Directors. At least two Directors must be normally resident in New Zealand, in line with the Listing Rules.
- 2.2 The Board will ensure it is of an effective size and composition to discharge its duties and responsibilities. The Board should comprise:
 - (a) directors with an appropriate range of competencies, knowledge, diversity and experience;
 - (b) directors who have a proper understanding of, and competence to deal with, the current and emerging issues of the Group's business; and
 - (c) directors who can effectively review and challenge the performance of management, and exercise independent judgement.
- 2.3 The Board has determined that a majority of the Board will be comprised of 'Independent Directors' (as that term is defined in the Listing Rules) at all times, in line with recommendation 2.8 of the Code. See section 7 below for further details.
- 2.4 Directors are expected to attend scheduled board and committee meetings and to be available for additional meetings as required from time to time.

- 2.5 Directors are subject to retirement by rotation, in accordance with the provisions of the Constitution and the Listing Rules.
- 2.6 The Board has established a Nomination Committee to recommend the appointment of Directors after determining the suitability of candidates in line with procedures adopted by the Board. See section 8 below, and the Nomination Committee Charter, for further details.
- 2.7 The Board will meet no less than 9 times per annum, and on other occasions as may be required. The Constitution governs the regulation of meetings and proceedings of the Board.
- 2.8 The Board has not adopted a tenure policy.

3 CHAIR

- 3.1 The Directors will elect a chairperson (the *Chair*) who is a non-executive Director, and who is not the Group CEO. The Chair will hold office until they vacate the office or is replaced by a chairperson elected by the Directors in their place.
- 3.2 The Chair will chair all meetings of the Board at which they are present. The Chair will provide leadership to the Board and will endeavour to ensure that the Board is well informed and effective.

4 COMPANY SECRETARY

- 4.1 The Board will appoint a company secretary (the *Company Secretary*) who will be an HGHL employee. The Company Secretary is responsible for the coordination of all Board business, including ensuring Board policy and procedure are followed, distributing Board papers and briefing materials in a timely manner, recording of meeting minutes, making statutory filings and market disclosures and maintaining all official Board and company records and statutory registers.

5 DELEGATIONS TO MANAGEMENT

- 5.1 The Board has delegated the authority to implement the Board-agreed strategy and to manage the business and affairs of the Group to the Group CEO, who in turn delegates part of this responsibility to the management team of HGHL or the relevant subsidiary (as applicable). The Board regularly monitors and reviews the Group CEO's performance in carrying out these delegated duties.
- 5.2 Non-executive Directors are free to discuss business matters with management with the prior knowledge of the Chair and the Group CEO, but are expected to respect the distinction between Board and management responsibilities.

6 BOARD RESPONSIBILITIES

- 6.1 The Board establishes the Group's objectives, determines the strategies for achieving those objectives, and monitors management performance in respect of implementing those strategies. The primary objective of the Board is to protect and enhance the value of HGHL in the interests of HGHL and its shareholders.
- 6.2 Specific responsibilities of the Board include the following:
- (a) approval of strategy and ensuring there are adequate resources available to achieve the strategic objectives;
 - (b) monitoring actual results against approved budgets and plans for each trading subsidiary in the Group;
 - (c) approval of budgets, approval and monitoring of financial reporting and capital expenditure, and overseeing accounting and financial reporting systems (including HGHL's relationship with the external auditor);
 - (d) appointment and removal of the Group CEO, together with the confirmation of the appointment and removal of the senior executive team;
 - (e) ensuring that effective risk identification and management procedures are in place, and there is compliance with internal control systems and legal compliance;
 - (f) approving all periodic reporting and communication to shareholders and the market, and overseeing reporting systems including those relating to HGHL's continuous disclosure obligations under the Listing Rules;
 - (g) ensuring the Board remains appropriately skilled to meet the changing needs of the Group; and
 - (h) adopting and reviewing key policies and governance documents applying to the Group.

7 INDEPENDENCE

- 7.1 The Board has adopted the definition of 'Independent Director' set out in the Listing Rules. The Board will also give reference to the non-exhaustive factors that may impact director independence as described in recommendation 2.4 of the Code.
- 7.2 Without limiting paragraph 2.3, the Board will ensure that it comprises not less than the minimum number of Independent Directors as required by the Listing Rules. At the date of this Charter, the Listing Rules require that at least two Directors are Independent Directors.

- 7.3 The Board will make a determination, and advise NZX, as to whether each HGHL director is an Independent Director, in the manner and at the times required by the Listing Rules. The Board will review this determination on an annual basis and will disclose its assessment of each Director's independence in HGHL's annual report, in line with the Code.

8 BOARD COMMITTEES

- 8.1 The Board may establish committees of the Board (*Committees*) where appropriate and in accordance with the Constitution. At the date of this Charter, the Board has established the following Committees:
- (a) an Audit and Risk Committee;
 - (b) a Remuneration Committee;
 - (c) a Nomination Committee; and
 - (d) a Sustainability Committee.
- 8.2 Each Committee will operate under its own Committee Charter and is authorised to deal with matters, and is responsible for seeking to achieve the purposes and undertaking the responsibilities, as set out in its Committee Charter.
- 8.3 The membership of each Committee (other than the Sustainability Committee) is restricted to non-executive Directors, and the chairperson of each Committee will be an Independent Director. Members of the Committees (including the chairpersons of the Committees) are appointed by the Board and may be removed by the Board from time to time, having regard to the capacity, skills and knowledge of each member.
- 8.4 The Charters of each Committee form an integral part of the Group's corporate governance documentation. All Committee Charters are reviewed by the Board on an annual basis and are made available on HGHL's website at <https://www.hallensteinglasson.co.nz>.
- 8.5 The Board may also from time to time establish ad hoc Committees to undertake activities within their terms of reference. Such Committees are to undertake, examine and monitor specific projects or tasks and, where appropriate, make recommendations to the full Board.
- 8.6 Committees may not take actions or make decisions on behalf of the Board unless specifically mandated by prior Board authority to do so.

9 DIRECTOR RESPONSIBILITIES AND DUTIES

- 9.1 Directors must at all times comply with their duties and other fiduciary obligations to HGHL, including under the Companies Act 1993 and all other applicable laws. These

duties and obligations include to:

- (a) ensure that all information they hold about the Group is treated in strict confidence;
- (b) act in good faith and in what they believe to be the best interests of HGHL;
- (c) avoid conflicts of interest wherever possible; and
- (d) comply with all relevant laws and regulations.

9.2 Each director is expected to fully participate in Board meeting discussions, having read all Board and briefing papers provided. Directors will participate fully, frankly and constructively in Board discussions and other activities, and will bring the benefit of their particular knowledge, skills and abilities to the Board. Directors will act honestly, ethically and diligently while undertaking their duties.

9.3 Directors and senior managers may only trade in HGHL's shares in accordance with the Financial Markets Conduct Act 2013 and any other applicable laws. In addition, HGHL's Financial Products Trading Policy applies to all directors, senior managers and employees within the Group. This policy provides further guidance and restrictions on trading in HGHL's shares.

9.4 HGHL has adopted a Code of Ethics, which must be adhered to by all Group directors, senior managers and other employees. The Code of Ethics is the framework of standards by which HGHL people are expected to conduct their professional lives.

9.5 In addition to the Code of Ethics, HGHL has specific procedures for decision making and personal behaviour in dealing with customers, employees, and suppliers. These procedures are documented in a Policy and Procedures manual. These procedures are formulated to ensure the Group deals with all parties in a fair and ethical manner, and staff are accountable where their actions fail to comply with policy.

9.6 HGHL has adopted a procedure for employees to report instances of any breach of HGHL policy (including the Code of Ethics) and/or any wrongdoing by any of its directors or employees in a confidential manner, without fear of any adverse consequences, for such reporting to be properly investigated.

10 **CONFLICTS OF INTEREST**

10.1 The Board expects its Directors, both individually and collectively, to act ethically and in a manner consistent with the values of HGHL. Accordingly, each Director will minimise the possibility of any conflict with HGHL.

10.2 Where any Directors have an actual or perceived conflict of interest, such Directors will recuse themselves from the relevant discussions and will not exercise their right to vote

in respect of such matters, in accordance with the Listing Rules and all other applicable laws.

11 REPORTING AND DISCLOSURE

- 11.1 The Board will ensure that effective policies and procedures are in place to ensure the integrity of HGHL's financial reporting.
- 11.2 The Group CEO and the Group CFO are required to certify to the Board that that HGHL's interim and full year financial statements present a true and fair view, in all material respects, of the HGHL's financial position and financial results, and are in accordance with relevant accounting standards.
- 11.3 The Audit and Risk Committee meets with external auditors independent of management no less than twice per annum.
- 11.4 The Board receives full financial reports on a monthly basis in a timely manner so that Directors are fully informed on an ongoing basis of the financial performance of HGHL.
- 11.5 Individual Directors may request additional information from executives from time to time as they deem necessary.
- 11.6 HGHL releases all material information to the NZX as required by the Listing Rules (including pursuant to HGHL's continuous disclosure obligations), and also uploads any key announcements to HGHL's website at www.hallensteinglasson.co.nz. Other key information, including annual reports, the Constitution and key corporate governance documents are also uploaded for ease of reference. The Board approves all communication with shareholders.
- 11.7 Shareholders are encouraged to attend annual meetings in person or online. The external auditor is required to be available at each annual meeting.

12 RECOGNITION AND MANAGEMENT OF RISK

- 12.1 The Board regularly reviews risk, and maintains insurance cover with reputable insurers for most types of insurable risk. The Board maintains a risk framework which identifies and seeks to manage risks throughout the Group. It also seeks to identify new and emerging risks to the Group through this framework.
- 12.2 HGHL maintains a risk register which sets out the key risks identified by HGHL in relation to the Group's activities. The Board regularly receives reports from management on risks within the Group's activities and the Group's performance in respect of this risk management.
- 12.3 HGHL's workplace Health and Safety programmes are clearly documented, and regularly

monitored. HGHL has established a separate health and safety committee, recognising the importance of achieving safe workplaces to protect the health, safety and wellbeing of Group employees and that health and safety is a distinct category of risk. The health and safety committee is not a committee of the Board. However, the committee's membership includes Directors and its functions include providing information and recommendations to the Board on workplace health and safety aspects of operations within the Group, including on health and safety risks, performance and management.

- 12.4 All Group directors and senior managers have the benefit of an indemnity as permitted by the Companies Act 1993 and the Constitution. The Group has also implemented director and officer (D&O) insurance cover at HGHL's cost. Details of these indemnities and insurance are disclosed in HGHL's interests register as required.

13 REMUNERATION

- 13.1 Senior executive remuneration comprises a base salary, together with an "at risk" component which is earned subject to company profitability and other factors as considered relevant. The Remuneration Committee seeks independent advice where appropriate when setting key executive remuneration. The Board has adopted a Remuneration Policy, which provides further details on HGHL's remuneration of directors and senior managers.
- 13.2 Non-executive Director remuneration is paid in the form of directors' fees, which are approved by shareholders as required by the Listing Rules.
- 13.3 Executive Directors do not receive directors' fees.
- 13.4 Directors are entitled to reimbursement of all reasonable and properly documented expenses associated with undertaking their duties as a Director. All Directors' expenses must be approved by the Chair. The Chair's expenses must be approved by the chairperson of the Audit and Risk Committee.

14 AUDITOR

The Board acknowledges the importance of maintaining the independence of the Group's external auditor. HGHL has adopted an Audit Independence Policy, which provides further guidance and details on this independence, together with the Audit and Risk Committee Charter.

15 INDUCTION AND CONTINUOUS EDUCATION

- 15.1 The Board will ensure that new Directors are appropriately introduced to the senior executive team and the Group business, and that they receive a copy of this Charter, the Charters of the Committees and other key corporate governance policies and procedures.

- 15.2 HGHL will enter into a written agreement with each newly appointed Director establishing the terms of their appointment. This written agreement will document the terms of the Director's appointment including HGHL's expectations of the Director, time commitments, entitled remuneration and indemnity and insurance arrangements.
- 15.3 It is expected that all Directors continuously educate themselves to ensure that they have appropriate expertise and can effectively perform their duties and responsibilities. In addition, visits to Group operations, briefings from the senior executive team and industry experts or key advisers to HGHL will be provided to the Board from time to time as appropriate.

16 ACCOUNTABILITY AND PERFORMANCE

The Chair meets regularly with Directors of HGHL to discuss individual performance of Directors. The Board reviews its performance as a whole, and the performance of each Committee, on an annual basis.

17 BOARD RELATIONSHIP WITH SHAREHOLDERS AND STAKEHOLDERS

- 17.1 The Board will ensure avenues are available for shareholder and stakeholder views to be communicated and heard.
- 17.2 The Board will monitor economic, political, regulatory, social and legal issues and other relevant matters that may influence or affect HGHL's ability to achieve its strategy and business plans.
- 17.3 Unless otherwise directed by the Chair, communications with the public must only be undertaken by specifically authorised HGHL representatives in accordance with HGHL's market disclosure policy.

18 REVIEW OF CHARTER

The Board will undertake a regular review of this Charter to ensure it remains consistent with the Board's objectives and responsibilities. This Charter was last reviewed and approved by the Board in October 2024, and will next be reviewed in October 2025.