

Webster Limited

ACN 009 476 000 (Company)

Board Charter

Approved by the Board 28 August 2008

Board Charter

1. Introduction

Webster Limited ACN 009 476 000 (Company) is a listed public company. The Board is responsible for the corporate governance of the Company. For the purposes of this Board Charter the term "Group" means the Company and its controlled entities.

This Charter sets out the details of the functions and responsibilities of the Board and those matters which are delegated to management.

The purpose of this charter is to:

- (a) promote and ensure compliance with best practice corporate governance standards;
- (b) clarify the role and responsibilities of the Board; and
- (c) enable the Board to provide strategic guidance for the Group and effective management oversight.

This charter is supported by the charters for various Board Committees, including the Audit & Risk Committee, Nominations & Appointments Committee and Remuneration Committee.

2. Board size, composition and independence

- (a) The Board determines its size within the limits provided in the Company's constitution, which provides for a minimum of 4 directors and a maximum of 8 directors.
- (b) The Board aims to have a majority of independent Non-executive Directors, subject to compliance with 2(c) of this Charter.
- (c) The Board must comprise:
 - directors with an appropriate range of skills, experience and expertise;
 - directors who can understand and competently deal with current and emerging business issues; and
 - directors who can effectively review and challenge the performance of management and exercise independent judgment.
- (d) An independent non-executive director is one who is independent of management and free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgment.

3. The Board's role and responsibilities

The Board acts on behalf of members and is accountable to members for the overall direction, management and corporate governance of the Company. The Board has authorised the Chief Executive Officer to make decisions concerning the Group (refer to section 4), but has expressly reserved certain matters requiring a decision of the Board.

The Board is responsible for:

- (a) approving the appointment and removal of:
 - (i) Chairperson;
 - (ii) Chief Executive Officer;
 - (iii) Company Secretary;
 - (iv) Chief Financial Officer;
 - (v) A person to fill a casual vacancy on the Board;
- (b) approving applications by the Chief Executive Officer for permission to accept Board/Committee appointments outside the Group;
- (c) assessing the Group's and the Chief Executive Officer's performance;
- (d) establishing committees of the Board and in relation to each committee to:
 - (i) appoint members and the Chairperson;
 - (ii) set the Committee's charter; and
 - (iii) delegate authority to that Committee;
- (e) on advice from the Remuneration Committee, and subject to the law and the Company's constitution, determining the remuneration of the non-executive directors (including the members of all Board Committees);
- (f) nominating candidates for election to the Board by the members;
- (g) ratifying other senior executive appointments, organisational changes and senior management remuneration policies and practices;
- (h) approving succession plans for the Chief Executive Officer's direct reports;
- (i) monitoring the implementation of strategy, and ensuring appropriate resources are available;

Strategic issues

- (j) disclosure of financial and other Company matters to members;
- (k) providing strategic advice and direction to management;
- (l) approving the Group's strategic plan, including the definition of the business and its boundaries;
- (m) approving a business plan on an annual basis or updates of that plan;
- (n) approving material strategic investment or business acquisitions and divestments;
- (o) approving key result areas for the Group and the Chief Executive Officer;

Financial items

- (p) recommending to members any increase or decrease in the share capital of the Company;
- (q) approving a capital management strategy for the Group;
- (r) approving material Group funding facilities;
- (s) approving each year an operating and capital budget for the Group, for the financial year ahead, consistent with the Group business plan;

- (t) approving any notifications to the relevant exchanges for securities listing, suspensions, delisting or relisting;
- (u) declaring the amount of profits available for payment of dividends and to declare and make arrangements for the payment of interim dividends in accordance with the Company's Constitution;
- (v) approving the establishment, amendment, suspension, resumption or cessation of a dividend reinvestment plan;
- (w) approving the giving of guarantees, indemnities and letters of comfort by the Group as well as security, mortgage or other pledge to another Group entity, related business entities or third parties;
- (x) approving the Group's annual and half year financial statements and reports to members;
- (y) reporting as appropriate, that the business is a going concern, with supporting assumptions or qualifications as necessary;
- (z) acting on advice from the Audit and Risk Committee and approving the Group's accounting policies;

Capital expenditure items

- (aa) approving all budgeted capital expenditure exceeding \$200,000 per item;
- (bb) approving all unbudgeted capital expenditure exceeding \$100,000 per item;
- (cc) approving divestments of capital assets of the Group exceeding \$300,000 per asset;

Internal and External Audit

- (dd) on advice from the Audit & Risk Committee, approving the appointment and removal of external auditors of the Group;
- (ee) considering and, if appropriate, accepting external audit reports including management letters;
- (ff) reviewing any recommendation from the Audit & Risk Committee arising from internal audit reports;

Risk management

- (gg) reviewing reports and appraisals from the Audit & Risk Committee on operational controls;
- (hh) monitoring and ensuring compliance with legal and regulatory requirements and ethical standards and policies;
- (ii) monitoring and ensuring compliance with best practice corporate governance requirements;
- (jj) overseeing the Group, including its control and accountability systems;

Human resources

- (kk) on advice from the Remuneration Committee, approving the Group's remuneration policy and all other material human resources policies;
- (ll) on advice from the Remuneration Committee, approving the annual executive incentive program;

- (mm) on advice from the Remuneration Committee, determining the remuneration and incentive package for the Chief Executive Officer;
- (nn) on advice from the Remuneration Committee, approving remuneration packages and material variations thereto of executives reporting directly to the Chief Executive Officer;
- (oo) on advice from the Remuneration Committee, approving the severance or redundancy policy;

Stakeholder communications

- (pp) convening meetings of members (including the annual general meeting) and to exercise all other powers relating to members' meetings given to directors in the Company's constitution;
- (qq) approving all resolutions being put and matters concerned with a notice of general meeting or annual general meeting;
- (rr) approving the Group's Continuous Disclosure Policy and monitoring compliance with this policy;

General

- (ss) approving major transactions including the acquisition or sale of any legal entity;
- (tt) approving any material related party transaction and any transaction that any of the executive would directly benefit from;
- (uu) approving any material conflict of interest that the Group or a Group executive may have prior to relevant transactions being entered into;

The Directors may delegate any of the above powers to individual Directors, committees of the Board or executives subject to the extent permitted by law, regulation or the Company's Constitution.

4. The Board and management

The Board has determined that the Chief Executive Officer is authorised to make all decisions in relation to the Group, except for the matters set out in paragraph 3 above (which are expressly reserved to the Board for its collective decision), and those matters reserved for the Board through Board Committee Charters.

This authorisation is subject to the Law and board charters.

The Chief Executive Officer manages the Group in accordance with the strategy and business plan approved by the Board and within pre-defined delegated authority limits.

In exercising his authority, the Chief Executive Officer is obliged to periodically consult with and report to the Board significant matters. Specifically, this includes:

- (a) reporting to, and consulting with, the Board or the relevant Board committee prior to approving any material project or other material decision which in the opinion of the Chief Executive Officer:
 - (i) amounts to a major initiative;
 - (ii) is a significant policy change or a significant departure from the Group's strategic plan approved by the Board; or
 - (iii) is likely to be of significant public interest.

- (b) periodically reporting to the Board or to the relevant Board committee on all material matters affecting the Group and significant decisions made in exercise of the Chief Executive Officer's authority, including but not limited to:
 - (i) all material compliance issues;
 - (ii) material litigation or potential litigation involving the Group;
 - (iii) appointments and resignations of staff who report directly to the Chief Executive Officer;
 - (iv) any material or relevant correspondence from regulators; and
 - (v) any material potential financial or regulatory impact which is considered more likely than not to arise.

5. Board Committees

The Board may from time to time establish committees to assist in carrying out its responsibilities. For each of those committees the Board will adopt charters setting out matters relevant to the composition, responsibilities and administration of the committee. Each committee will review its charter from time to time as appropriate.

The Board has established the following committees:

- (a) Audit & Risk Committee;
- (b) Remuneration Committee; and
- (c) Nominations & Appointments Committee.

6. Remuneration

Consistent with the Company's Constitution shareholders in General Meeting will determine the remuneration to be paid to the Company's Non-executive Directors. The directors will determine how this aggregate is divided among individual directors.

The remuneration received by individual directors encompasses payment for responsibilities on any Board committees or boards of subsidiary companies.

7. Meetings

Board meetings will be conducted in accordance with the Company's constitution and will be held at least 6 times a year. Directors are expected to attend and participate in Board meetings and meetings of committees on which they serve.

The quorum for Board meetings will be two Directors, unless otherwise determined by the Board.

8. Retirement of Directors

This paragraph shall be read consistently with the Company's Constitution.

At every annual general meeting, one-third of the Directors (to the nearest whole number) must retire and may stand for re-election. A director must retire at the end of the third annual general meeting after the director's appointment even if it means that more than one-third of directors retire at an annual general meeting.

The number and identity of Directors required to retire are determined at the time at which notice of the relevant annual general meeting is dispatched to shareholders.

Where the Company has a Managing Director, this Director is not subject to retirement by rotation and is not taken into account when determining the rotation or retirement of Directors or the number of Directors to retire.

9. Access to information and Director and Officer Indemnity

Directors have access to any information they consider necessary to fulfil their responsibilities and to exercise independent judgment when making decisions.

Directors have access to:

- (a) management to seek explanations and information from management; and
- (b) auditors, both internal and external, to seek explanations and information from them without management being present.

Directors may seek any independent professional advice they consider necessary to fulfil their responsibilities and to exercise independent judgment when making decisions in accordance with the procedure agreed by the directors.

The Company's Constitution requires the Company to indemnify a director, to the extent permitted by law, from liability that arises from the position of a director. The Company maintains Directors and Officers Insurance, which provides cover to the Company to enable it to meet its obligations to indemnify directors under the Constitution. The policy also provides cover for directors individually. The Company has also entered into a Deed of Indemnity & Access with each director and officer.

10. Conflicts

Directors are expected to be sensitive to conflicts of interest or duty that may arise and mindful of their fiduciary obligations.

Directors must:

- (a) disclose to the Board any actual or potential conflict of interest or duty that might reasonably be thought to exist as soon as the situation arises;
- (b) take necessary and reasonable action to resolve or avoid any actual or potential conflict of interest or duty; and
- (c) comply with the Corporations Act 2001 (Cth) and the Company's constitution in relation to disclosing material personal interests and restrictions on voting.

If a conflict exists, it is expected that any director to whom the conflict relates will leave the room when the Board is discussing any matter to which the conflict relates.

Directors will not accept office as a director, committee member or executive of any other company or entity unless the Director informs the Company, before the acceptance of any such office, of the Director's intention to accept that office and pays due regard to any objections which may be raised by the Board in relation to that appointment.

11. Board performance

The performance of the Board and the directors will be reviewed every two years.

This review will consider:

- (a) the Board's role;
- (b) the processes of the Board and Board Committees;
- (c) the Board's performance; and
- (d) each director's performance before the director stands for re-election.

This Charter was approved and adopted by the Board on 28 August 2008.