

# Cell Aquaculture Limited



Board Charter



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## **Board Charter**

### **as approved by the Board of Directors on 1 March 2005**

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The Board is responsible for the overall operation and stewardship of Cell Aquaculture Limited (**Cell Aquaculture**) and its subsidiaries and, in particular, is responsible for charting the direction, strategies and financial objectives for Cell Aquaculture and monitoring the implementation of those policies, strategies and financial objectives and is committed to protecting and enhancing shareholder values and conducting Cell Aquaculture's business ethically and in accordance with the highest standards of corporate governance.

The Board acknowledges its accountability to shareholders for creating shareholder value within a framework which protects the rights and interests of shareholders and ensures the Group is properly managed. The Board aims to achieve these objectives through the adoption and monitoring of strategies, plans, policies and performance as follows:

#### **1. Strategy**

- (a) Providing input into, and approval of, the Group's strategic direction and budgets as developed by management.
- (b) Directing, monitoring and assessing the Group's performance against the strategic and business plans, and ensuring appropriate resources are available.
- (c) Approving and monitoring capital management and major capital expenditure, acquisitions and divestments.

#### **2. Risk management**

- (a) Identifying the principal risks of the Group's business.
- (b) Reviewing and ratifying the Group's systems of internal compliance and control, risk management and legal compliance and ensuring the integrity and effectiveness of those systems.
- (c) Approving and monitoring internal and external financial and other reporting, including reporting to shareholders, ASX and other stakeholders.

#### **3. Management**

- (a) Appointment and removal of the Managing Director/Chief Executive Officer and the Company Secretary, and Chief Financial Officer if appropriate.
- (b) Ratifying the appointment and removal of senior executives and senior management.
- (c) Establishing the balance of responsibility between the chairperson and the Chief Executive Officer (or equivalent).
- (d) Ensuring that the remuneration and conditions of service of senior executives are appropriate.
- (e) Establishing and monitoring executive succession planning.
- (f) Delegating authority to the Managing Director/Chief Executive Officer.

#### **4. Performance**

- (a) Approving criteria for assessing performance of senior executives and monitoring and evaluating the performance of senior executives.
- (b) Undertaking an annual performance evaluation of itself that compares the performance of the Board with the requirements of this Charter, sets forth the goals and objectives of the Board for the upcoming year and effecting any improvements to this Charter considered necessary or desirable.

#### **5. Corporate governance**

- (a) Ensuring ethical behaviour and compliance with the Group's own governing documents, including any Group Code of Conduct, Directors' Code of Conduct and Employees Code of Conduct as adopted or amended from time to time.
- (b) Evaluating the Company's compliance with corporate governance standards.

#### **6. Board Committees**

- (a) Establishing the following Board Committees:
  - (i) Audit Committee;
  - (ii) Remuneration Committee; and
  - (iii) Others, as required, including an Aquaculture Advisory Committee.
- (b) Adopting Charters setting out the membership, responsibilities and reporting obligations of each Board Committee and evaluating the performance of the Board Committees.

#### **7. Other**

- (a) Evaluate Board processes and performances.
- (b) Performing such other functions as prescribed by law.
- (c) The Board will meet at least six times per year and otherwise as required.

In performing the responsibilities set out above, the Board should act at all times in a manner designed to create and continue to build sustainable value for shareholders and in accordance with the duties and obligations imposed on them by the Company's Constitution and by law.