

# BOARD OF DIRECTORS CHARTER

## ROLE OF THE BOARD

The Board has primary responsibility to Shareholders for the welfare of Magellan by guiding and monitoring the business and affairs of Magellan. Magellan recognizes the importance of the Board in providing a sound base for good corporate governance in the operations of the Company.

The Board must, at all times, act honestly, fairly and diligently in all respects, in accordance with the law applicable to Magellan. Furthermore, the Board will, at all times, act in accordance with all relevant Magellan policies.

This charter, and the various complementary charters adopted by the Board and the various Committees, have been prepared and adopted on the basis that good governance and good governance procedures can add to the performance of the Company.

## RESPONSIBILITIES OF THE BOARD

The key responsibilities of the Board are to:

- establish corporate governance standards;
- contribute to, approve and monitor, strategy, financial and performance objectives developed by Management;
- ensure appropriate policies and procedures are in place to manage risks and internal control;
- approve and monitor budgets, capital expenditure and projects;
- ensure compliance with applicable laws and regulations;
- establish ethical, environmental and health and safety standards for the Company's operations and people.
- appoint, monitor, manage the performance of and, if necessary, terminate the employment of the General Manager.
- manage succession planning for the position of General Manager, Finance Manager, Secretary and key executives.

## STRUCTURE OF THE BOARD

The Board is to comprise a majority of non-executive Directors who are considered by the Board to be independent and will be of such size and competence necessary to understand properly, and deal with, the current and emerging issues of the business of Magellan.

The Directors will appoint as Chairman of the Board, one of the non-executive Directors, who is independent.

## MEETINGS

The Board shall meet as often as deemed necessary by the Directors in order to fulfil their duties and responsibilities as Directors and as dictated by the needs of the business.

The non-executive Directors of the Board may meet together without the presence of senior management, as often as deemed necessary, to discuss matters pertaining to the Company's executive management.

## **CONFLICTS OF INTEREST**

Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with that of the Company.

## **CONFIDENTIALITY**

All proceedings of the Board, including papers submitted and presentations made to the Board, shall be kept confidential and will not be disclosed or released to any person other than Board members, except as required by law, or as agreed by the Board.

## **ACCESS**

The Board shall have full and free access to executives and other employees of the group.

## **PROFESSIONAL ADVICE**

The Board collectively, and each Director individually, may take, at the Company's expense, such independent professional advice as is considered necessary to fulfil their relevant duties and responsibilities (after approval by the Chairman which may not be unreasonably withheld).

## **CODE OF CONDUCT**

Each member of the Board shall abide by the terms of the Company's Code of Conduct in all dealings with, and on behalf of, the group.

## **BOARD COMMITTEES**

To assist the Board in the discharge of its responsibilities (either in whole or in conjunction with the Board), the Board has established the following Committees:

- Audit Committee;
- Nomination and Remuneration Committee.

These Committees are designed to consider specific matters and make recommendations to the Board. However, it is not intended that these Committees restrict the ability of the Board to make an independent assessment of the recommendations, having regard to the Board's knowledge of Magellan and the structures and operations of Magellan. The Board will consider the materials and recommendations presented to them and bring their own mind to bear on the issue using the skill and judgment they possess.

The Board will consider and approve the Charters of the various Committees.

## **REMUNERATION**

The level of non-executive Director remuneration will be set by the Board so as to attract the best candidates for the Board while maintaining a level commensurate with Boards of similar size and type.

## **REVIEW OF BOARD CHARTER**

The Board will, at least once in each financial year, review this charter and the charter of each of the Committees, and make any amendments it determines are necessary or desirable.