



BOARD CHARTER

1. Overview

This Charter has been developed and approved by the Directors of CAR Group Ltd (**Company** or **CAR Group**) to outline the manner in which the Board of Directors (**Board**) discharges its responsibilities. It should be read in conjunction with all of the Company's Corporate Governance Documents which provide a detailed framework for the governance of the Company.

The powers, duties and responsibilities of the Board are prescribed by the Corporations Act 2001, the Company's Constitution and all other applicable legislation and regulations. A copy of the Company's Constitution, Board and Committee Charters and Corporate Governance Documents are publicly available on the Company's shareholder website at <https://cargroup.com/>.

2. Role of Directors

Directors are responsible for protecting the rights and interests of the Company, its shareholders and other stakeholders, including creditors and employees, and are accountable to them for the overall management of the Company.

Directors' responsibilities to the Company include the Company's controlled entities and entities over which the Company has significant influence.

2.1 The Board's responsibilities include:

- demonstrating leadership;
- protecting and enhancing the value of the assets of the Company;
- defining the Company's purpose, setting the strategic direction of the Company and monitoring and reviewing performance against those strategic objectives;
- monitoring and guiding the culture, reputation and ethical standards of the Company;
- reviewing and ratifying internal controls, codes of conduct and legal compliance;
- reviewing and overseeing the integrity of the Company's accounts, financial statements and corporate reporting systems;
- reviewing and approving the Company's operating budget and strategic plan;



- evaluating performance and determining the remuneration of the Managing Director and Key Management Personnel (**KMP**);
- ensuring that significant financial and non-financial risks facing the Company have been identified and adequate control monitoring and reporting mechanisms are in place;
- approving the values and code of conduct that underpin and reinforce the desired culture of the Company;
- approving transactions relating to acquisitions, divestments and capital expenditure above delegated authority limits;
- approving the Company's financial and dividend policy; and
- appointing the Managing Director.

3. Matters specifically reserved for the Board

The Company's Constitution provides that 'the business of the Company is to be managed by or under the direction of the Directors'.

The Board may, unless otherwise stated by the Company's Constitution, delegate any of its powers to:

- a committee of Directors; or
- a Director; or
- an employee of the Company; or
- any other person.

The Directors have reserved for themselves the following matters, which are in addition to any matters expressly required by law or other regulation to be approved by the Directors:

- setting the corporate objective of the Company and approving business strategies and plans of the Company designed to meet that objective;
- overseeing management in the implementation of business strategies and instilling the Company's values;
- approving changes to the Company's capital structure and dividend policy;
- approving the annual budget of the Company;
- approving the Company's remuneration policies and ensuring they are aligned with the purpose, values and corporate objectives of the Company;
- appointing, removing and succession planning for the Managing Director;
- reviewing the performance of the Managing Director, their remuneration and contractual arrangements;
- appointing and removing KMP on the recommendation of the Managing Director;



- reviewing the remuneration of KMP on the review and recommendation of the Managing Director;
- reviewing the composition of the Board and Board Committees, the independence of Directors, the Board's performance and carrying out succession planning for the Chair and other Non-Executive Directors;
- reviewing the performance of management and the Company, including in relation to corporate governance, risk management (for financial and non-financial risks), internal controls and compliance frameworks, systems, policies and processes adopted by the Company, including in relation to the health, safety and wellbeing of all employees;
- challenging management and holding it to account where required;
- dealing with any matters in excess of any specific delegations that the Board may from time to time delegate to the Managing Director and KMP; and
- approving the communication to shareholders and to the public of the half-year and full-year results and generally any public statements which reflect issues of the Company's policy or strategy that the Board deems material.

4. Committees

Where appropriate, the Board is assisted in the discharge of its responsibilities by Board Committees. The role of a Board Committee is to advise and make recommendations to the Board. Board Committees do not have the power to make decisions with respect to the management of the Company's business and affairs except as expressly defined by the Board in the Committee's Charter or otherwise.

The current Board Committees are the:

- Audit Committee;
- Risk Management Committee;
- People & Culture Committee (previously named the Remuneration and Nomination Committee); and
- Sustainability Committee.

The Charters of the Board Committees are publicly available on the Company's shareholder website at <https://cargroup.com/>.

5. Relationship between Directors and management



Subject to the Company's Constitution and matters specifically reserved for the Board, the Board delegates responsibility for day-to-day management of the Company to the Managing Director. The Directors do not participate in the day-to-day affairs or management of CAR Group.

6. Board membership

6.1 Size, composition and tenure

The Company's Constitution includes provisions for:

- the number of Directors;
- casual vacancies and additional Directors;
- appointment and removal of Directors by General Meeting; and
- retirement of Directors.

The composition of the Board is to be reviewed at least annually by the Board and the Chair to assess the Board's effectiveness.

6.2 Independence

All Directors, whether independent or not are required to act in the best interests of the Company and to exercise unfettered and independent judgment.

The Board will, at least annually, assess the independence of each Director and include this information in the annual report. Each Director is required to provide the Board with all relevant information to enable the Board to make this assessment and, if at any time during the year, a Director's circumstances change which may impact their independence, they are required to immediately advise the Chair.

In assessing the independence of Directors, the Board has regard to the provisions of the ASX Corporate Governance Council, *'Corporate Governance Principles and Recommendations'* (4th ed).

CAR Group defines an independent Director as a Non-Executive Director (i.e. not a member of the Company's management) who is 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 and ability to act in the best interests of the Company.



When assessing the independence of a Director, the Board will consider whether the Director:

- a) is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- b) is employed, or has previously been employed in a KMP capacity by the Company or another group member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- c) has within the last three years been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided;
- d) is a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; and
- e) has a material contractual relationship with the Company or another group member other than as a Director.

In assessing each Director's independence the Board will consider the effect of a Director's business and other relationships and interests from the perspective of both CAR Group and the Director.

The Board may determine that a Director is independent notwithstanding the existence of a relationship of the kind referred to above.

6.3 Induction and training

The appointment of any new Director will be made by, and in accordance with, a formal letter of appointment which details the key terms and conditions of that appointment.

All new Directors appointed undertake an induction program coordinated by the Company Secretary to assist them in fulfilling their duties and responsibilities. The induction program ensures that any new Director is appropriately introduced to the Company, its operations and personnel and are acquainted with the industry within which the Company operates.



6.4 Conduct

When exercising their powers and responsibilities as Directors, and when acting as a representative of the Company, Directors are required to comply with all relevant laws and regulations and abide by the Company's Code of Conduct.

7. Board meetings

Board meetings and meetings of the Non-Executive Directors (held in the absence of management), are held on a regular basis, as determined and required, by the Directors.

The Chair, with the assistance of the Managing Director and the Company Secretary, establishes the agenda for each Board Meeting. Any Director may request that a particular item be added to the agenda for a meeting.

Meetings and proceedings of the Board are governed by the relevant provisions of the Company's Constitution.

8. Quorum

The Quorum for meetings of Directors is governed by the relevant provisions of the Company's Constitution.

No business may be transacted at a meeting of the Board unless a quorum is present at the time the business is dealt with.

9. Role of the Chair

The Board supports the separation of the role of Chair from that of the Managing Director and the Chair must be a Non-Executive Director.

The general role of the Chair is to manage the Board effectively, to provide leadership to the Board and to interface with the Managing Director.



The Chair of the Board is responsible for:

- the business of the Board, taking into account the issues and the concerns of all Directors and the requirements of this Charter;
- the leadership and conduct of Board and Company meetings to be in accordance with the agreed agenda;
- encouraging active engagement by Directors and an open and constructive relationship between the Board and the Managing Director and KMP; and
- conducting an annual review of the performance of the Board and Board Committees.

The Chair has the authority to act and speak for the Board and liaise with the Company's stakeholders between meetings, subject to any agreed consultation processes.

10. Role of the Managing Director

The Managing Director has responsibility for the day-to-day management of the Company, providing leadership and acting as the principal representative for the Company in its dealings with the public.

The Managing Director must report to the Board on succession planning and management development from time to time, and no less frequently than on an annual basis.

11. Declaration of interests

Directors are required to take all reasonable steps to avoid actual, potential or perceived conflicts of interests.

The Corporations Act 2001 and the Company's Constitution require Directors to disclose any conflicts of interest and, in certain circumstances, to abstain from participating in any discussion or voting on matters in which they have a material personal interest.

It is expected that Directors will be sensitive to actual and perceived conflicts of interest that may arise and it is something to which they are expected to give ongoing consideration in view of the dynamic and rapidly changing nature of CAR Group's business.



The Board has developed procedures to be followed:

- by a Director who believes he or she may have a conflict of interest or material personal interest;
- for the holding of or the continuation of a meeting where it is proposed that a meeting will discuss any matter which gives rise or may give rise to a conflict or a real sensible possibility of a conflict of interest; and
- for the monitoring and reporting of Director's interests to ensure that the Company complies with its obligations pursuant to the Corporations Act 2001 and the ASX Listing Rules.

12. General meetings

Proceedings at meetings of members are governed by the relevant provisions of the Company's Constitution.

CAR Group encourages effective communication with shareholders and their effective participation at general meetings and has strategies in place including a 'Shareholder Communication Policy' which is available on the Company's shareholder website at <https://cargroup.com/charters/>.

13. Access to independent professional advice

The Board and each Board Committee has authority to retain, at the Company's expense, such legal, accounting or other advisers, consultants or experts as it considers necessary from time to time in the performance of its duties.

An individual Director may engage separate independent counsel or advisors, at the expense of the Company, in appropriate circumstances, with the approval of the Chair or by resolution of the Board.

14. Evaluating performance

Assessments of the performance of the Board, Committees, individual Directors, the Managing Director and KMP are undertaken annually. The Company has documented a 'Process for evaluation of performance' policy which is available on the Company's shareholder website at <https://cargroup.com/charters/>.



Document and Version Control

Version	Date	Author	Approval	Review Date
4.0	June 2024	N. Birman	CAR Group Board	June 2026