



# RENU ENERGY LIMITED

## BOARD CHARTER

### Purpose and Role

The shareholders have elected the Directors and have authorised them to manage the business of the Company and to exercise the powers conferred under the Constitution and the law.

The Board is thereby responsible for the performance of the Company and guiding and monitoring the Company on behalf of the shareholders to whom they are accountable.

### Powers

In addition to matters expressly required by law to be approved by the Board, powers specifically reserved for the Board are as follows:

- approving the strategic direction, policies and budgets of the Company.
- approving major investments in the geothermal resource development program of the Company.
- approval of the annual and half year financial statements and reports.
- appointing the Managing Director.
- overseeing remuneration practices and ensuring that appropriate human resource management systems are in place.
- Ensuring appropriate risk management systems are established and reports on performance are regularly reviewed.
- reviewing and approving the Company's compliance systems and corporate governance principles.
- ensuring that the Company provides continuous disclosure of information to the investment community, and that shareholders have available all information they reasonably require to make informed assessments of the company's prospects.
- overseeing the Company's commitment to its values, the environment and the health and safety of employees, contractors, customers and the community.
- ensuring that the reputation of the Company is protected and enhanced.

The Board may establish other policies and practices to ensure that the Board fulfils its functions and ensuring that it remains an effective decision making body.



## Specific Responsibilities

The Board has a specific responsibility to:

- monitor and assess management's performance in achieving any strategies and budgets approved by the Board;
- set criteria for, and evaluate at least annually, the performance of the Chief Executive Officer;
- review on a regular and continuing basis:
  - executive succession planning (and in particular for the Chief Executive Officer); and
  - executive development activities.

## Delegation of Authority to the CEO

The Board has delegated responsibility for the conduct of the Company's businesses to the Chief Executive Officer, but remains responsible for overseeing the performance of management. The Board has established delegated limits of authority, which define the matters that are delegated to management and those which require Board approval. They include:

- Delegated Limits of Authority
- Treasury Policy
- Project Control and Integration Policy

The policies and delegated limits of authority are reviewed on a regular basis.

## Board Membership

The Constitution requires the Board to determine the number of Directors, which shall be not less than 3 and no more than 10.

The Board shall comprise a majority of Non-Executive Directors. In addition, a majority of the Directors must be ordinarily resident in Australia.

The Directors shall appoint as chairperson of the Board one of the Non-Executive Directors who satisfy the criteria for independence as stated below and who is also an Australian citizen or permanent resident.

## Independence

A Director is only to be regarded as independent if:

- the Board determines that the Director has no material relationship with ReNu Energy (either directly or through an immediate family member, or as a partner, shareholder, executive officer or employee of an organisation that has a material relationship with ReNu Energy);
- the Director is not, and has not been within the previous three years, employed by ReNu Energy; and
- no immediate family member of the Director is, nor has been within the previous three years, employed by ReNu Energy; and
- the Director is otherwise independent under the ASX Corporate Governance Principles and Recommendations.



## Meetings

- The Board will meet in accordance with a schedule agreed prior to the commencement of each calendar year.
- A majority of Directors present and eligible to vote at all meetings of the Board shall be Non-Executive Directors.

## Committees of the Board

The Board has established committees to assist in the execution of its duties and to allow detailed consideration of complex issues or areas of special interest. Current committees established by the Board are:

- Audit & Risk Committee
- Remuneration & Nominations Committee

Each of these committees has its own written charter setting out its role and responsibilities, composition, structure, membership requirements and the manner in which the committee is to operate. All charters of committees of the Board are reviewed on an annual basis and are to be made available on the Company website.

The Audit & Risk, Remuneration & Nomination committees comprise only non-executive Directors and a majority of each of these committees comprises independent directors.

## Board Renewal, Performance Evaluation and Charter Review

- The Board shall establish a policy and guidelines regarding Board renewal and succession planning, and for assessing the performance of the Board with the aim of maintaining a proactive and effective Board.
- The policy and guidelines referred to above shall set out a framework for the annual performance review of the Board, each Non- Executive Director, and each Board Committee.
- The Board shall review this Charter on an annual basis.

A handwritten signature in blue ink, appearing to read "C. Ricato".

**Craig Ricato**

Chief Executive Officer & Managing Director

August 2018