

OM Group Holdings Ltd
(to be renamed TopBeta Holdings Ltd)

ACN 164 521 395

Board Charter

1. Introduction

- 1.1 This is the charter of the board of directors (**Board**) of OM Group Holdings Ltd (to be renamed TopBeta Holdings Ltd) ACN 164 521 395 (**Company** and, together with its controlled entities, the **Group**).
- 1.2 The board of the Company (**Board**) is responsible for the corporate governance of the Group.
- 1.3 The purpose of this charter is to:
- (a) promote high standards of corporate governance;
 - (b) clarify the role and responsibilities of the Board; and
 - (c) enable the Board to provide strategic guidance for the Group and effective oversight of the management of the Group (**Management**).
- 1.4 This charter is supported by the Group's code of conduct, the charters for the Board's nomination and remuneration committee and its audit and risk committee and the Group's policies in respect of securities trading, risk management, continuous disclosure and diversity, among other things.
- 1.5 To the extent that there is any inconsistency between this charter and the Company's constitution, the constitution will prevail to the extent of that inconsistency.

2. Board size, composition and independence

- 2.1 There must be a minimum of three directors and the current maximum number of directors is nine.
- 2.2 An independent non-executive director is one who:
- (a) is independent of Management;
 - (b) is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of his or her unfettered and independent judgement; and
 - (c) otherwise meets the criteria for 'independence' as set out in the *ASX Corporate Governance Principles and Recommendations (3rd edition)* published by the ASX Corporate Governance Council.
- 2.3 The Board should ideally comprise:
- (a) a majority of independent non-executive directors;
 - (b) directors with an appropriate range of skills, experience and expertise;
 - (c) directors who can understand and competently deal with current and emerging business issues; and
 - (d) directors who can effectively review and challenge the performance of Management and exercise independent judgement.

- 2.4 The Board will regularly assess whether each non-executive director is independent and each non-executive director must provide to the Board all information relevant to his or her assessment in this regard. If a director's independent status changes, it will be immediately disclosed and explained to the market.
- 2.5 Each director is appointed by way of a formal letter of appointment.

3. Board composition and skills matrix

- 3.1 Skills such as leadership and previous experience as a chief executive, chair or board member of a large organisation have traditionally been prerequisites to appointment as a director. In addition to the desirable qualities of a director set out in clause 2.3, the Board recognises that other skills gained from experience in the following areas are key skills and experience that the Board as a whole should comprise:
- (a) bookmaking and betting industry experience;
 - (b) information technology;
 - (c) business acquisition and integration skills;
 - (d) financial literacy and legal and regulatory knowledge;
 - (e) diversity;
 - (f) policy and regulatory development and reform;
 - (g) health, safety and environment and social responsibility; and
 - (h) organisational development and human resources.

4. The Board's role and responsibilities

- 4.1 The Board must act in the best interests of the Company as a whole and is accountable to the Company's shareholders for the overall direction, management and corporate governance of the Group.
- 4.2 The Board must monitor the operational and financial position and performance of the Company and oversee its business strategy. In conducting business with these objectives in mind, it is the role of the Board to seek to ensure that the Company is properly managed to protect and enhance shareholder interests, and that the Company, its directors, officers and personnel operate in an appropriate environment of corporate governance.
- 4.3 The Board must adopt relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for the Company's business and which are designed to promote the responsible management and conduct of the Company.
- 4.4 The Board's responsibilities include:
- (a) overseeing the Group, including providing leadership and setting its strategic objectives;
 - (b) appointing the chairperson;
 - (c) appointing and removing the Chief Executive Officer of the Group (**CEO**) and approving or ratifying the appointment of other senior executives of the Group, such as the Chief Financial Officer (**CFO**);
 - (d) where appropriate, ratifying organisational changes and approving Management remuneration policies and practices;
 - (e) approving succession plans for Management;
 - (f) monitoring senior executives' performance and implementation of strategy, and ensuring that appropriate resources are available;
 - (g) approving the proposed annual budget;
 - (h) determining and financing of dividend payments;
 - (i) approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestitures;
 - (j) approving and monitoring corporate, financial and other reporting systems, including external audit, and overseeing their integrity;

- (k) reviewing and monitoring any related party transaction and recommending its approval;
 - (l) approving and monitoring systems of risk management, accountability, internal compliance and control, and legal compliance to ensure that appropriate compliance frameworks and controls are in place;
 - (m) setting the risk appetite within which the Board expects Management to operate;
 - (n) reviewing performance, operations and compliance reports from the CEO and CFO, including reports and updates on strategic issues and risk management matters;
 - (o) reviewing and overseeing the Company's continuous disclosure policy;
 - (p) reviewing and overseeing the implementation of the code of conduct for directors and all other employees;
 - (q) approving the charters of the various Board committees;
 - (r) monitoring and ensuring compliance with all legal and regulatory requirements and ethical standards and policies and otherwise monitoring the effectiveness of the Group's governance practices; and
 - (s) any other responsibilities determined by the Board from time to time.
- 4.5 In carrying out its responsibilities and functions, the Board may delegate any of its powers to a Board committee, a director or other person, subject to ultimate responsibility residing with the directors. Notwithstanding clause 7 below, the Board may at any time remove or modify any powers delegated to the CEO.
- 4.6 The matters specifically reserved for the Board or its committees (as relevant) include:
- (a) appointment of a chairperson;
 - (b) appointment and removal of the CEO;
 - (c) appointment of a director to fill a casual vacancy or as an additional director;
 - (d) establishment of Board committees, their membership and delegated authorities;
 - (e) approval of dividends;
 - (f) review of corporate codes of conduct;
 - (g) approval of major capital expenditure, acquisitions and divestitures in excess of authority levels delegated to Management;
 - (h) calling of meetings of directors or shareholders; and
 - (i) any other specific matters nominated by the Board from time to time.

5. Board committees

- 5.1 The Board has established the following committees to assist it in carrying out its responsibilities, to share detailed work and to consider certain issues and functions in detail:
- (a) audit and risk committee; and
 - (b) nomination and remuneration committee.
- 5.2 The charter of each Board committee setting out matters relevant to the composition, responsibilities and administration of the committee must be approved by the Board. Each committee will review its charter from time to time as appropriate.

6. Chairperson

- 6.1 The Board may appoint one of its members to be chairperson.
- 6.2 The chairperson will be an independent non-executive director.
- 6.3 The chairperson shall:
- (a) provide leadership to the Board, and assist the Board in reviewing and monitoring the aims, strategies, policies and directions of the Group, and the achievement of its objectives;

- (b) in consultation with management and feedback from the Board, set the frequency of Board meetings, the agenda and management's reporting practices to the Board;
- (c) chair Board meetings and meetings with shareholders and meet with stakeholders as appropriate;
- (d) attend Committee meetings where appropriate;
- (e) act in a manner such that Board and Committee meetings are conducted in an efficient, effective and focused manner;
- (f) at Board meetings encourage open and honest debate and meaningful participation from all Directors;
- (g) meet regularly (or as required) with the CEO to review strategy, maintain accountability, build relationships and ensure the CEO is aware of concerns of the Board and shareholders;
- (h) lead the Board in monitoring and evaluating the performance of the CEO; and
- (i) coordinate with the CEO to ensure that management strategy, plans and performance are appropriately represented to the Board and shareholders as appropriate.

7. CEO and executive team

- 7.1 Subject to clause 4.5, responsibility for day-to-day management and administration of the Group is delegated by the Board to the CEO and the executive team.
- 7.2 The CEO manages the Group in accordance with the strategy, plans and policies approved by the Board.
- 7.3 The CEO is appointed by the Board.
- 7.4 The responsibilities of the CEO include, among other things:
 - (a) developing and recommending to the Board strategies, business plans and annual budgets for the Group;
 - (b) implementing the strategies, business plans and budgets adopted by the Board;
 - (c) providing effective leadership, direction and supervision of the executive team to achieve the strategies, business plans and budgets adopted by the Board;
 - (d) ensuring compliance with all applicable laws and regulations;
 - (e) ensuring that the Board is given sufficient information in a form, timeframe and quality that will allow it to be effective in performing its functions, setting strategies, monitoring performance and discharging its duties; and
 - (f) acting within authority delegated by the Board.
- 7.5 The Board has in place procedures to regularly assess the performance of the CEO and executive team.

8. Non-executive directors

- 8.1 The independent non-executive directors (unless such director is conflicted in regards to the matter) should consider the benefits of conferring regularly without Management present, including at scheduled sessions or as otherwise required by the circumstances.

9. Company secretary

- 9.1 The company secretary of the Company is directly accountable to the Board through the chairperson on all matters to do with the proper functioning of the Board.
- 9.2 The responsibilities of the company secretary of the Company include, among other things:
 - (a) advising the Board and the Board committees on governance matters;
 - (b) monitoring that Board and Board committee policies and procedures are followed;

- (c) coordinating the timely completion and despatch of Board and Board committee papers;
- (d) ensuring that business at Board and Board committee meetings is accurately captured in the minutes of such meetings; and
- (e) assisting with the organisation and facilitation of induction and professional development of the Company's directors.

10. Conflicts

10.1 Directors must:

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

10.2 If a conflict exists, it is expected that any director to whom the conflict relates will recuse himself or herself when the Board is discussing any matter to which the conflict relates.

10.3 Directors are expected to inform the chairperson of the Board of any proposed appointment to the Board or executive of another company as soon as practicable.

11. Other appointments

11.1 A non-executive director should inform the chairperson and the chair of the nomination and remuneration committee before accepting any new appointment as a director of another listed entity, another material directorship or other position with a significant time commitment attached.

12. Access to information and independent advice by directors

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

12.2 Directors have access to:

- (a) Management to seek explanations and information from Management; and
- (b) the Company's auditor to seek explanations and information from them without Management being present.

- 12.3 At the expense of the Company, directors may seek any independent professional advice that they consider necessary to fulfil their responsibilities and to exercise independent judgement when making decisions in accordance with the procedure agreed by the directors.
- 12.4 If the chairperson of the Board consents, the Company will pay a director's costs of seeking independent professional advice. That consent may not be unreasonably withheld or delayed.
- 12.5 Any such advice received will be provided to the whole Board.

13. Size of the Board and Board vacancies

- 13.1 All directors are expected to continue as directors only for so long as they have the confidence of their fellow Board members and the confidence of the Company's shareholders.
- 13.2 In accordance with the ASX Listing Rules, no director except the CEO is permitted to hold office for a continuous period in excess of three years or past the third annual general meeting following that director's appointment, whichever is the longer, without submitting himself or herself for re-election.

14. Communication of information

- 14.1 The Board has adopted a communications strategy to facilitate and promote effective communication with all stakeholders and to encourage shareholder participation at general meetings.

15. Approved and adopted

- 15.1 This charter was approved and adopted by the Board on 29 October 2015.