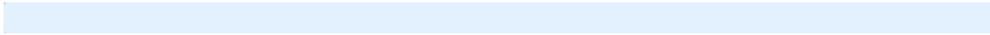


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# BOARD CHARTER

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## Role of Board

The Board is responsible for the overall operation and stewardship of Tyro and, in particular, for:

- its sound and prudent management;
- its long-term growth, compliance and profitability; and
- its strategies, values, policies and financial objectives.

The Board is also responsible for overseeing management in the implementation of the above matters.

In performing the responsibilities set out in this Charter, the Board should act at all times in a manner that:

- demonstrates leadership;
- is designed to create and continue to build sustainable value for shareholders;
- is in accordance with Tyro's values; and
- is in accordance with the duties and obligations imposed on them by Tyro's constitution and by law.

## Roles and responsibilities of the Board

### Strategy

The role of the Board in respect of strategy includes:

- defining Tyro's purpose and setting its strategic objectives and plans, in consultation with management;
- approving Tyro's statement of values and code of conduct to underpin the desired culture within Tyro;
- overseeing management in its implementation of Tyro's strategic objectives;
- approving and monitoring operating budgets capital management and major capital expenditure, acquisitions and divestments.

### Risk management

The Board is ultimately responsible for Tyro's risk management framework and is responsible for the oversight of its operation by management. In particular, the Board must ensure that:

- it sets the risk appetite within which it expects management to operate and approves the institution's risk appetite statement and risk management strategy (**RMS**) which should encompass financial and non financial risks;
- it forms a view of the risk culture in Tyro, and the extent to which that culture supports the ability of Tyro to operate consistently within its risk appetite, identify any desirable changes to the risk culture and ensures Tyro takes steps to address those changes;
- senior management of Tyro monitor and manage all material risks consistent with the strategic objectives, risk appetite statement and policies approved by the Board;
- the operational structure of Tyro facilitates effective risk management;
- policies and processes are developed for risk-taking that are consistent with the RMS and the established risk appetite; sufficient resources are dedicated to risk management; and
- it recognises uncertainties, limitations and assumptions attached to the measurement of each material risk.

### Financial management

The Board is responsible for:

- overseeing the integrity of Tyro's accounting and corporate reporting systems including external audit;

- overseeing Tyro's process for making timely and balanced disclosure of all material information concerning the entity that a reasonable person would expect to have a material effect on the price or value of the entity's securities.

## Relationship with management

The role of the Board in relation to management includes:

- appointment and removal of the Chief Executive Officer (**CEO**) (or equivalent) and the Company Secretary;
- ratifying the appointment and removal of senior executives (which includes all executives who report directly to the CEO);
- approving Tyro's remuneration policies and framework and having satisfied itself that they are aligned with Tyro's purpose, values, strategic objectives and risk appetite;
- determining whether the remuneration and conditions of service of senior executives are appropriate and consistent with the approved remuneration policies and framework;
- establishing and monitoring executive succession planning, with gender diversity being a relevant consideration;
- delegating the day to day decision making and implementation of Board approved strategy to the CEO;
- setting specific limits of authority for management;
- satisfying itself that an appropriate framework exists to facilitate reporting of relevant information by management to the Board; and
- where required, challenging management so as to hold it to account.

## Monitoring of performance

The role of the Board in respect of performance monitoring includes:

- approving criteria for assessing performance of senior executives and monitoring and evaluating their performance;
- undertaking an annual evaluation of the performance of the Board, each Board Committee and their respective Chairs and individual Directors, including undertaking a periodic review of whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role effectively. The Chair of the Board will facilitate such reviews in the manner that they see fit;
- appointing a suitable non-executive director to conduct an annual evaluation of the performance of the Chair of the Board, including the canvassing of views of the other directors; and
- review the Board's skills matrix to ensure all skills needed to address existing and emerging business and governance issues relevant to Tyro are covered.

## Corporate governance

The role of the Board in respect of corporate governance includes:

- selecting and appointing the Board chair;
- approving Tyro's statement of values and Code of Conduct;
- satisfying itself that Tyro's remuneration policies are aligned with its purpose, values, strategic objectives and risk appetite;
- ensuring ethical behaviour and compliance with Tyro's governing documents, including Tyro's values and the Code of Conduct; and
- monitoring and evaluating Tyro's compliance with the relevant edition of the Corporate Governance Principles of the ASX Corporate Governance Council.

## Board Committees

The role of the Board includes:

- establishing and delegating authority to such committees of the Board as may be appropriate including the following Board Committees:
  - Audit Committee;
  - Risk Committee;
  - People Committee; and
  - Nomination Committee; and
- adopting Charters setting out the membership, responsibilities and reporting obligations of each Committee and evaluating the performance of the Board Committees.

## Board composition and related matters

### Board size

Tyro's Constitution provides that the number of directors must at any time be no more than 10 and no less than 5

### Board composition

The Board should comprise:

- a majority of people who are independent<sup>1</sup> directors;
- a majority of people who are ordinarily resident in Australia; and
- people with a mix of skills and diversity of backgrounds to enable the Board to discharge its duties effectively.

### Chair

The Chair of the Board should be independent and should not hold the role of CEO (or equivalent). The Chair should:

- lead the Board;
- facilitate the effective contribution of all directors;
- promote constructive and respectful working relationships between directors, senior management and the Board;
- communicate the views of the Board and senior management to Tyro's shareholders and to the public; and
- oversee and facilitate Board, Committee and senior management evaluation reviews and succession planning.

The Chair will also be responsible for approving Board agendas and ensuring that adequate time is available for discussion of all agenda items, including strategic issues.

### Company secretary

The Company Secretary will:

- be appointed and removed by the Board;
- report to and be accountable to the Board on all matters to do with the proper functioning of the Board and its Committees; and
- perform the role in accordance with the relevant edition of the Corporate Governance Principles of the ASX Corporate Governance Council.

## Board Renewal Policy and Succession

The Board will ensure:

- it remains open to new ideas and independent thinking, while retaining adequate expertise;
- has the relevant mix of skills, experience, expertise, tenure and diversity; and

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<sup>1</sup> Independent, as defined by the ASX Corporate Governance Council see the section below entitled "**Independent directors**".

- Directors and senior management have the full range of skills needed for the effective oversight and prudent management of Tyro, by assessing such matters during each annual Board, Committee and Director performance review having reference to, amongst other things:
  - the size, composition, diversity and independence of the existing Board;
  - the Board Skills Matrix and its consideration of the current and future needs of the Board and Tyro;
  - Director and Board performance;
  - Director training and development; and
  - Director tenure,

It is noted that while tenure limits can help ensure that there are fresh ideas and viewpoints available to the Board they have the disadvantage of losing the contribution of Directors who have been able to develop increasing insight of Tyro and its operations and an increasing contribution to the Board as a whole. Accordingly, the Board's position on Directors' ongoing tenure is dependent on each individual Director continuing to meet Board performance expectations including whether they have served on the Board for such a period that their independence from management and substantial stakeholders may have been compromised, having regard to their ability to bring an independent judgement to bear on issues before the Board and to act in the best interests of Tyro as a whole rather than in the interests of another party. Director tenure is also dependent on the terms of Tyro's constitution, Director letters of appointment and shareholder approval of the renewal of Director terms.

## Appointing new directors

The Board may engage recruitment consultants or independent experts to research or assess candidates for new positions on the Board.

When considering the appointment of a person as a director, the Board will undertake appropriate checks and registrations before appointing the person, or putting the person forward to shareholders as a candidate for election as a director. The checks will usually include the candidate's character, experience, education, criminal record and bankruptcy history.

Before recommending a candidate for election or re-election as a non-executive director the Board will ask them to provide Tyro all information that the Board considers necessary so as to enable shareholders to make an informed decision as to whether to elect or re-elect the candidate. The candidate will also be asked to provide details of any commitments that will be in addition to those they will undertake if elected or re-elected as a non-executive director of the Company, including a statement that they will have sufficient time to fulfil their responsibilities as a director of Tyro.

The Board will then provide shareholders with:

- confirmation that the checks referred to in this clause have been undertaken and, if applicable, any information of concern revealed by the checks;
- all material information in Tyro's possession relevant to a decision on whether or not to elect or re-elect a person as a director, including whether the person will qualify as an independent director.

## Management and delegation

### CEO and management

The CEO (or equivalent) is responsible for running Tyro's day to day affairs under delegated authority from the Board and to implement the policies and strategy set by the Board. In carrying out the CEO's responsibilities, the CEO (or equivalent) must ensure that the Board is provided with accurate information in a timely and clear manner and ensure all reports to the Board present a true and fair view of Tyro's financial condition and operational results.

### Delegation to management

The role of management is to support the CEO (or equivalent) and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board. The delegated authority includes responsibility for:

- developing business plans, budgets and strategies for Tyro for consideration by the Board and, to the extent approved by the Board, implementing these plans, budgets and strategies;
- operating Tyro's business within the parameters set by the Board from time to time and keeping the Board informed of material developments in Tyro's business;
- in respect of proposed transactions, commitments or arrangements that exceed the parameters set by the Board, referring such matters to the Board for its consideration and approval;
- identifying and managing operational and other risks and, where those risks could have a material impact on Tyro's businesses, formulating strategies for managing these risks for consideration by the Board;
- implementing the policies, processes and codes of conduct approved by the Board; and
- managing Tyro's current financial and other reporting mechanisms and control and monitoring systems to ensure that these mechanisms and systems function effectively and capture all relevant material information on a timely basis.

## Senior executives

A senior executive is an executive who is a member of Tyro's executive management team (**XLT**), including an executive director but not including a non-executive director.

XLT is responsible for implementing Tyro's strategic objectives and instilling and reinforcing its values, all while operating within the values, code of conduct, budget and risk appetite set by the Board. XLT is also responsible for providing the Board with accurate, timely and clear information on Tyro's operations to enable the Board to perform its responsibilities. This is not just limited to information about Tyro's financial performance, but also its compliance with material legal and regulatory requirements and any conduct that is materially inconsistent with Tyro's values or code of conduct.

Tyro may use an alternative definition of senior executive for specific purposes, for example in disclosing matters in relation to its Diversity Policy, and in that case will set out the definition of senior executive used for that purpose

Tyro will have:

- a written agreement with each person appointed as a senior executive setting out the terms of their appointment, with the agreement being with the relevant senior executive personally; and
- a process for ensuring that the performance of senior executives are reviewed at least once each year.

## Other matters

### Procedures where a director has a conflict of interest

From time to time a director may have a conflict of interest. To help directors manage any such conflicts the Board has developed the following procedures to ensure the appropriate management of any actual, potential or perceived conflict of interest:

- Directors have a continuing obligation to advise the Board of any interest that could potentially conflict with those of Tyro;
- where a director has an actual, potential or perceived conflict in a matter being considered by the Board, the director shall:
  - declare that conflict of interest;
  - not receive the relevant Board papers;
  - not be present at the meeting when the matter is considered; and
  - not participate in any decision on the matter,

unless the Board Chair (or if the relevant director is the Board Chair, either the Board Risk Committee chair or the Board Audit Committee chair) determines otherwise. However, in the case of a material personal interest, the level of involvement of the relevant director shall be determined by the Board (excluding the relevant director).

## Independent Professional Advice For Directors

Directors may obtain independent professional advice, at Tyro's cost, in carrying out their responsibilities. It will be appropriate to obtain independent professional advice where:

- the issue or recommendation in question is one which the director reasonably considers, after consulting with the Board or the Chair, is of a character that makes obtaining independent advice appropriate; and
- the Board or Chair, following such consultation consents to the obtaining of such advice.

Independent professional advice can be obtained without the involvement of Tyro's management where the Board or the Chair considers it appropriate to do so. A suitable qualified expert in the appropriate field should be instructed. Prior to instructing the expert, the director should advise the Board or Chair of the fee payable which must be reasonable having regard to the nature of the advice sought and the fees charged by comparable experts. All instructions to the expert must be in writing specifying the party instructing and the capacity in which that party is acting and the party to whom the advice is to be addressed. Except in circumstances of competing interests between the directors or the director and the Company, a copy of the advice, the letter of instruction, and all materials which accompanied the letter must be provided to the Board.

## Provisional appointment of Directors or senior executives

Where checks being undertaken regarding a new director or senior executive will take a significant amount of time, subject to any regulatory requirements, the Board may provisionally appoint a person in the role, or may put a resolution to members electing a director, subject to receipt of satisfactory checks. In these circumstances, the Board must receive an unequivocal undertaking from the director or senior executive that they will resign should any outstanding check be considered unsatisfactory by Tyro.

## Terms of appointment of Directors

In accordance with Tyro's constitution, no director except a Managing Director will hold office for a continuous period in excess of three years or past the third annual general meeting following the director's appointment, whichever is the longer, without submitting for re-election.

Tyro will have a written agreement with each person appointed as a director setting out the terms of their appointment.

## Inconsistency with the Company's constitution

To the extent that there is any conflict or inconsistency between this Charter and Tyro's constitution, the constitution shall prevail.

## Adoption of Charter and Board review

This Charter (including its annexures) was adopted by the Board on the date on the front cover of this Charter, and replaces any previous charter in this regard.

The Board will review this Charter periodically. Amendments can only be made with the approval of the Board.