



---

## **Board Charter**

**Paragon Care Limited**

**ACN 064 551 426**

---

---

## 1. Introduction

- 1.1 This Board Charter sets out the principles for the operation of the board of directors (the “**Board**”) of Paragon Care Limited (the “**Company**”, “**we**”, “**our**”, “**us**”) and describes the functions of the Board. The Company and its controlled entities are collectively referred to as the **Group**.
- 1.2 This Charter sets out the principles for the operation of the Board, including the roles and responsibilities of the Board, the relationship and interaction between the Board and management, and the Board's ability to delegate its authority to a committee of the Board and management, as well as the membership of the Board.
- 1.3 The Board derives its authority to act from the Company's Constitution. 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. Composition of the Board

- 2.1 The Directors, together with its Nomination and Remuneration Committee (the “**NRC**”), will determine the size and composition of the Board, subject to the terms of the Company's Constitution, which provides there must be a minimum of three (3) directors and no more than nine (9) directors.
- 2.2 The Board should comprise Directors with an appropriate mix of skills, experience from a diverse range of backgrounds and expertise in order to achieve efficient decision making and adequately discharge its responsibilities and duties.
- 2.3 Each Director must be able to add value to the Board's deliberations. In addition, the Board must:
  - (a) be comprised of Directors who are financially literate, at least one of whom has financial expertise; and
  - (b) demonstrate an appropriate mix of skills, experience, diversity, and knowledge to discharge its responsibilities and objectives.
- 2.4 The Board, together with the NRC, must review the range of skills, experience, expertise, and diversity of its members regularly and determine whether the composition and mix remain appropriate, having regard to the Company's strategy and in accordance with the Company's Constitution.
- 2.5 At least two (2) directors must reside in Australia.
- 2.6 The Board will appoint the Chair of the Board (“**Chair**”).
- 2.7 It is noted that, ideally the Board should comprise a majority of independent non-executive Directors. An independent non-executive Director is one who:
  - (a) is independent of management;
  - (b) 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 judgement; and
  - (c) otherwise meets the criteria for independence set out in the ASX Principles..
- 2.8 The Board should regularly assess whether a non-executive Director is ‘independent’ in accordance with the above criteria.

- 2.9 While the Company will aim to have a majority of independent non-executive Directors, this may not always be practicable given the size of the Board and the Company's circumstances. Accordingly, the Directors have absolute discretion to determine the appropriate composition of the Board from time to time, subject to the Constitution, the Act, and the ASX Listing Rules.
- 2.10 To the extent that the Board does not achieve this structure from time to time, the Board should establish a process to achieve this structure and measure itself against that process annually.
- 2.11 The NRC is responsible for recommending candidates for appointment to the Board.
- 2.12 Each Director is appointed by a formal letter of appointment setting out the terms and conditions of their appointment and retirement to ensure that each Director clearly understands the Company's expectations of them.
- 2.13 The continued tenure of each individual Director is subject to re-election from time to time, in accordance with the Company's Constitution.
- 

### **3. Board's Role**

- 3.1 The Board's role is to:
- (a) represent and serve the interests of shareholders by overseeing and appraising the Company's strategies, policies and performance. This includes overseeing the financial and human resources the Company has in place to meet its objectives and reviewing management performance;
  - (b) provide effective oversight of its management and business activities;
  - (c) protect and optimise Company performance and build sustainable value for shareholders in accordance with any duties and obligations imposed on the Board by law and the Company's Constitution and within a framework of prudent and effective controls that enable risk to be assessed and managed;
  - (d) set, review and monitor compliance with the Company's values and governance framework (including establishing and observing high ethical standards);
  - (e) Oversee management in its implementation of the Company's strategic objectives and instilling of the Company's values and performance;
  - (f) Seek to ensure the Company acts in accordance with its legal and other obligations; and
  - (g) Ensure shareholders are kept informed of the Company's performance and major developments affecting its state of affairs.
- 

### **4. Responsibilities of the Board**

- 4.1 The Board acts in the best interests of the Company as a whole and is accountable to shareholders for the overall strategic direction, financial management, and corporate governance of the Group.
- 4.2 In addition to matters it is expressly required by law to approve, the Board is responsible for:
- (a) driving the strategic direction of the Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance.
  - (b) appointing, and where necessary, replacing, the Chief Executive Officer.

- (c) approving the Company's remuneration framework.
- (d) monitoring the timeliness and effectiveness of reporting to shareholders.
- (e) reviewing and ratifying systems of audit, risk management and internal compliance and control, codes of conduct and legal compliance to minimise the possibility of the Company operating beyond acceptable risk parameters.
- (f) approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures in line with the approved Delegation of Authorities.
- (g) approving and monitoring the budget and the adequacy and integrity of financial and other reporting such that the financial performance of the company has sufficient clarity to be actively monitored.
- (h) approving the annual, and half-yearly accounts.
- (i) approving decisions affecting the Company's capital structure, including determining the Company's dividend policy and declaring dividends.
- (j) recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them.
- (k) procuring appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as Directors effectively.
- (l) reviewing and evaluating its own performance, the performance of its Committees, and the performance of individual Directors, at least on an annual basis against both measurable and qualitative indicators in conjunction with the NRC.
- (m) performance such other functions as are required by law or are assigned to the Board.
- (n) monitoring the effectiveness of the Company's governance practices.

---

## **5. Alternate Directors**

- 5.1 A Director can appoint someone else to for a set period of time, in accordance with our Constitution.

---

## **6. Relationship between the Board and Management**

- 6.1 The Board shall delegate responsibility for the day-to-day operations and administration of the Company to the Chief Executive Officer. The Chief Executive Officer has authority to sub-delegate to the Executive team as appropriate.
- 6.2 Specific limits on the financial authority delegated to the Chief Executive Officer and the Executive Team must be set out in the Delegation of Authority approved by the Board.
- 6.3 In addition to formal reporting structures, members of the Board are encouraged to have direct communications with senior executives within the Group to facilitate the carrying out of their duties as Directors. This should always be done in consultation with the Chief Executive Officer where possible.
- 6.4 The Chief Executive Officer is ultimately accountable to the Board.
- 6.5 The Board has in place procedures to assess the performance of the Chief Executive Officer.

- 6.6 Directors have unfettered access to the executive management of the Company through the CEO.
- 

## **7. Director Responsibilities**

- 7.1 Directors are expected to attend and participate in Board meetings and meetings of committees on which they serve.
- 7.2 Directors are expected to spend the time needed, and meet as often as necessary, to properly discharge their responsibilities.
- 7.3 Directors are expected to review meeting materials before Board meetings and committee meetings.
- 7.4 Directors must disclose their interests, positions, associations or relationships. The independence of the Directors should be regularly assessed by the Board in light of the interests disclosed by them.
- 7.5 Directors are expected to bring their independent views and judgement to the Board and must declare immediately to the Board any potential or active conflicts of interest.
- 7.6 Directors must declare immediately to the Board, and the Board will determine whether to declare to the market, any loss of independence.
- 7.7 Directors must keep Board information, discussions, deliberations and decisions that are not publicly known, confidential.
- 7.8 Directors must comply with their legal duties when discharging their responsibilities as directors. Broadly, these duties are to:
- (a) to act in good faith and in the best interests of the Company;
  - (b) act with care and diligence;
  - (c) act for proper purposes;
  - (d) avoid a conflict of interest or duty; and
  - (e) refrain from making improper use of information gained through the position of director or taking improper advantage of the position of director.
- 7.9 No member of the Board may serve for more than three years or past the third annual general meeting following their appointment, whichever is the longer, without being re-elected by the shareholders.
- 

## **8. The Chair**

- 8.1 The Chair is responsible for the leadership of the Board, setting the agenda of the Board, conducting the Board meetings, ensuring that an accurate record of the minutes of board meetings is held by the Company and conducting the shareholder meetings.
- 8.2 If a Chair ceases to be an independent Director, then the Board will consider appointing a lead independent Director.
- 8.3 The Chair must be able to commit the time to discharge the role effectively.
- 8.4 The Chair should facilitate the effective contribution of all Directors and promote constructive and respectful relations between Board members and management.

- 8.5 In the event that the Chair is absent from a meeting of the Board then the Board shall appoint a Chair for that meeting in an acting capacity.
- 

## **9. The Company Secretary**

- 9.1 The Company Secretary acts as the secretary of the Board.
- 9.2 The Company Secretary must reside in Australia.
- 9.3 The Company Secretary, or a representative, attends all meetings of the Board and its Committees as required.
- 9.4 The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.
- 9.5 The Company Secretary is to facilitate the induction and professional development of Directors.
- 9.6 The Company Secretary is to facilitate and monitor the implementation of Board policies and procedures.
- 9.7 The Company Secretary is to provide advice to the Board on corporate governance matters, the application of the Company's Constitution, the ASX Listing Rules and applicable other laws.
- 9.8 All Directors have access to the advice and services provided by the Company Secretary.
- 9.9 The Board has the responsibility for the appointment and removal, by resolution, of the Company Secretary.
- 

## **10. Board Committees**

- 10.1 Whilst at all times the Board retains full responsibility for guiding and monitoring the Company, in discharging its stewardship it makes use of Board committees. To this end the Board has established a Nomination and Remuneration Committee, Audit and Risk Committee and Investment Committee.
- 10.2 The Company may establish other committees from time to time.
- 10.3 The charter of each Committee must be approved by the Board and reviewed following any applicable regulatory changes.
- 10.4 Members of Committees are appointed by the Board. The Board may appoint additional Directors to Committees or remove and replace members of Committees by resolution.
- 10.5 The Company must disclose the members and Chair of each Committee in, or in conjunction with, its annual report.
- 10.6 The minutes of each Committee meeting shall be provided to the Board at the next occasion the Board meets following approval of the minutes of such Committee meeting.
- 10.7 The Company must disclose in, or in conjunction with, its annual report, in relation to each reporting period relevant to a Committee, the number of times each Committee met throughout the period and the individual attendances of the members at those Committee meetings.

---

## **11. Board Meetings**

- 11.1 There must be a minimum of two Directors present at a meeting to constitute a quorum necessary for the transaction of business at a meeting, however Directors may determine a greater number of Directors is required to constitute a quorum.
- 11.2 The Board will schedule formal Board meetings at least quarterly and hold additional meetings, including virtual meetings, as may be required.
- 11.3 Non-executive Directors may confer at scheduled times without management being present.
- 11.4 The minutes of each Board meeting shall be prepared by the Company Secretary, approved by the Chair and circulated to Directors after each meeting.
- 11.5 The Company Secretary shall ensure that the business at Board and committee meetings is accurately captured in the minutes.
- 11.6 The Company Secretary shall co-ordinate the timely completion and distribution of Board and committee papers for each meeting of the Board and any Committee.
- 11.7 Minutes of meetings must be approved at the next Board meeting.
- 11.8 Further details regarding Board meetings are set out in the Company's Constitution.
- 11.9 Any action permitted to be taken at any meeting of the Board may be taken without a meeting, if a written consent thereto is signed by all Directors entitled to vote on the resolution, provided that such written consent shall be filed with the minutes of the proceedings of the Board.

---

## **12. Confidentiality**

- 12.1 In order to enable full and frank discussions, all discussions at meetings of the Board are to be considered confidential and are not to be disclosed outside of the meeting except to the extent:
  - (a) required by the Act, the ASX Listing Rules, the Constitution; or
  - (b) approved by the Board.

---

## **13. Conflicts**

- 13.1 Directors are required to act in a manner which is consistent with the best interests of the Company as a whole, free of any actual or potential conflicts of interest.
- 13.2 If a Director considers that they might be in a position where there is a reasonable possibility of conflict between their personal or business interests, the interests of any associated person, or their duties to any other company and the interests of the Company or their duties to the Company or the Group, the Board requires that the Director must:
  - (a) Disclose to the Chair of the Board (or in their absence the Deputy Chair) any actual or potential conflict of interest or duty that might reasonably be thought to exist as soon as the situation arises;
  - (b) Take necessary and reasonable action to resolve or avoid any actual or potential conflict of interest or duty; and

- (c) Company with the Corporations Act and the Company's Constitution in relation to disclosing material person interests and restriction on voting.
  - 13.3 If a conflict exists, unless the Board otherwise determines, abstains from voting on any motion relating to the matter and absents themselves from all Board deliberations relating to the matter.
  - 13.4 Directors are expected to inform the Chair (or in their absence the Deputy Chair) of the Board of any proposed appointment to the board or executive of another company as soon as practicable.
- 

#### **14. Access to information and independent advice by Directors**

- 14.1 All Directors have unrestricted access to Company records and information except where the Board determines that such access would be averse to the Company's interests.
  - 14.2 All Directors may consult management and employees as required to enable them to discharge their duties as Directors.
  - 14.3 The Board, Committees or individual Directors may seek independent external professional advice as considered necessary at the expense of the Company, subject to prior consultation with the Chair. A copy of any such advice received is made available to all members of the Board.
- 

#### **15. Review of this Charter**

- 15.1 The Board will review this Charter biannually or as often as is considered necessary to ensure it remains effective and meets the best practice, ASX listing rules, and the Company's needs.  
  
Any amendment or revocation of this Charter may only be effected by a resolution of the Board.
  - 15.2 The Charter will be available on the Company's website within a reasonable time after any such updates or amendments have been approved.
- 

#### **16. Approved and Adopted**

- 16.1 This Charter was approved and adopted by the Board on 30 April 2025.