

BOARD CHARTER

Adopted by the Board of Directors pursuant to a resolution dated 05 June 2020.

Introduction

The Board of Directors of Ventus Aqua Pty Ltd (**Company**) and its controlled entities (**Group**) is responsible for ensuring that the Company has an appropriate corporate governance structure to ensure the creation and protection of shareholder value. This requires that appropriate accountability and control systems are in place.

This Board Charter explains the Company's commitment to corporate governance. It is not an "all inclusive" document and should be read as an expression of principle. The Board will review and update this charter annually or as often as required, if the Board considers it appropriate to ensure it remains consistent with the Board's objectives and responsibilities.

Compliance with laws

As the Company is seeking to be admitted to the Official List of the National Stock Exchange of Australia (**NSX**), the Company must comply with the *Corporations Act 2001 (Cth)* (**Corporations Act**), NSX Listing Rules, as well as all other applicable laws and statutes.

Guidelines for Board operation and membership

Appointment and removal of directors

- i. The Board should be of a size and composition that is conducive to making decisions effectively, with the benefit of a variety of perspectives and skills, and in the best interest of the Group, rather than of individual shareholders or interest groups.
- ii. The Board is responsible for the appointment and rotation of directors.
- iii. A new director will receive formal letter of appointment setting out the key terms and conditions relative to the appointment following the completion of requisite background checks showing that the proposed director is of good fame and character.

Composition of the Board

- i. The Company seeks to have a Board comprising directors with an appropriate variety of skill, experience and expertise who have competence to deal with the current and emerging issues of the business and who can effectively review and challenge the performance of management and exercise independent judgement.
- ii. The Board should ideally comprise a majority of independent non-executive directors (or alternatively where the Board is comprised of an equal number of independent and non-independent directors, the Chairperson (being an independent non-executive director) should have a casting vote at meetings of the Board.
- iii. The Company has not adopted a policy in relation to the retirement or tenure of directors. In accordance with the Constitution of the Company, no director except a Managing Director shall 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.

Independence

- i. In considering whether or not a director is independent, the Board shall refer to the Criteria for Assessing Independence of Directors attached hereto as Appendix A.
- ii. Independent directors of the Company are those that are not involved in the day-to-day management of the affairs of the Company and are free from any real or reasonably perceived business or other relationship that could materially interfere with the exercise of their unfettered and independent judgement.

Induction process

When appointed to the Board, a new director will receive an induction appropriate to their experience. The induction process will be designed to enable a new director to gain an understanding of:

- i. the Company's operations and the industry in which it operates;
- ii. the Company's financial, strategic, operational and risk management position;
- iii. their rights, duties and responsibilities; and
- iv. any other relevant information

Access to information

- i. The Board and its committees must be provided with the information they need to effectively discharge their responsibilities.
- ii. Management must supply the Board and its committees with information in a form, time frame and quality that enables them to effectively discharge their duties. All directors are to receive copies of committee papers.

Independent advice

- i. A director may, at the cost of the Company up to an amount as the Board may approve from time to time at its sole discretion, obtain such independent legal, accounting and commercial advice as the director, acting reasonably, thinks necessary or desirable to permit him or her to fully and effectively discharge his or her duties and responsibilities as a member of the Board.
- ii. Directors must obtain prior approval from the Chairperson of their intention to obtain such independent professional advice. The Chairperson will ensure that the party who will provide the advice have no conflict of interest and that the basis of the charge is reasonable.
- iii. The Company will pay the costs of such independent professional advice if prior written approval of the Board has been obtained prior to incurring those costs, and such approval should not be unreasonably withheld or delayed.

Material personal interest requirement

The Corporations Act provides that unless agreed to by the Board, where any director has a material personal interest in a matter, the director will not be permitted to be present during discussions, or to vote on the matter.

Functions of the Board

The Board is accountable to shareholders for the performance of the Company. Board members also have a responsibility to protect the rights and interests of the Company and to create shareholder wealth having due regard to the interests of other stakeholders.

The responsibilities of the Board include:

- i. reviewing and approving corporate strategies, the annual budget and financial plans;
- ii. overseeing and monitoring organisational performance and the achievement of the Company's strategic goals and objectives;
- iii. monitoring financial performance and liaising with the Company's external auditor;
- iv. appointing and assessing the performance of the managing director (or equivalent) and overseeing succession plans for the senior executives;
- v. ratifying the appointment and the removal of senior executives and the company secretary;
- vi. approving and monitoring the progress of major capital expenditure, capital management and acquisitions and divestures;
- vii. reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance;
- viii. enhancing and protecting the reputation of the Company;

- ix. appointing a Chairperson;
- x. overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company;
- xi. approving the Company's remuneration framework; and
- xii. reporting to and communicating with shareholders.

Board committees

The Board may establish committees to assist in the execution of its responsibilities. The primary purpose of the Board's committees is to facilitate appropriate involvement by directors, ensure contestability of opinion and raise the level of interaction between the Board and management.

As at the date this Board Charter is adopted, no committee of the Board has been formed. Until such time that any Board committee is formed, all duties typically delegated to Board committees such as audit committee, remuneration committee and nomination committee are the responsibility of the full Board.

Role of the Chairperson

The Chairperson is responsible for leadership of the Board, for the efficient organisation and conduct of the Board's function, and for the briefing of all directors in relation to issues arising at Board meetings. It is important that the Chairperson facilitate the effective contribution of all directors and promote constructive and respectful relations between Board members and between Board and management.

The Board may appoint a Chairperson of the Board who should be a non-executive director and whose responsibilities may include:

- i. providing leadership to the Board;
- ii. ensuring the efficient organisation of the Board and conduct of its functions;
- iii. Chairing Board and shareholder meetings;
- iv. ensuring all directors are briefed on material matters arising at or between Board meetings;
- v. facilitating effective contributions by all directors;
- vi. promoting constructive and respectful relations among board members and between board and management.

The role of the Chairperson and the managing director (or its equivalent) must be separate.

Role of the Managing Director

The Board may appoint a managing director (or equivalent) whose responsibilities may include the overall operational and business management and profit performance of Collaborate Corporation, whilst also managing the Company in accordance with the strategy, plans and policies approved by the Board to achieve agreed goals.

Company Secretary

When requested by the Board, the Company Secretary will facilitate the flow of information of the Board, between the Board and its Committees and between senior executives and non-executive directors. The Company Secretary is accountable directly to the Board, through the Chairperson, on all matters to do with the proper functioning of the Board.

The Company Secretary is to facilitate the induction and professional development of directors, as well as monitor the implementation of Board policies and procedures.

The Company Secretary is to provide advice to the Board on corporate governance matters, the application of the Company's Constitution, the NSX Listing Rules and applicable other laws. All directors have access to the advice and services provided by the Company Secretary.

The Board has the responsibility for the appointment and removal of the Company Secretary.

Board evaluation

The Board will, at least annually, undertake the following activities:

- i. the Chairperson (or equivalent) will separately meet with each director to discuss individual performance and ideas for improvement; and
- ii. the entire Board will discuss and analyse its own performance during the year including suggestions for change or improvement.

The aim of this is to ensure individual directors, as well as the entire Board, work efficiently and effectively in achieving their responsibilities as set out in the Board charter.

Education and continuing professional development

Directors and executives will have access to continuing education to update and enhance their skills and knowledge. This will include education concerning key developments in the Company and within the industry and environments within which it operates.

Publication of Policy

This Policy will be available on the Company's website.

Approved and adopted

This policy was approved and adopted by the Board on 05 June 2020.

Appendix A - Criteria for Assessing Independence of Directors

Background on independence of directors

1. An independent director of the Company is independent of management and free from 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 judgement.
2. The Board must determine that a director is independent.

Assessment of independence

3. The Board will regularly assess the independence of each director in light of interests disclosed by them. So that it can do this, each director should provide to the Board all relevant information.
4. The Board will consider and determine whether each director can be regarded as an independent director. In assessing independence, the Board will consider if the director has a business or other relationship with the Company any entity inside the consolidated group.
5. This would be either directly or as a partner, shareholder, or officer of a company or other entity that has an interest or a business or other relationship with the Company or its child or controlled entities.

Relationships

6. In assessing independence, the Board will have regard to whether the director:
 - a. is, or has been, employed in an executive capacity by the entity or any of its child entities and there has not been a period of at least three years between ceasing such employment and serving on the Board;
 - b. is, or has within the last three years been, a partner, director or senior employee of a provider of material professional services to the entity or any of its child entities;
 - c. is, or has been within the last three years, in a material business relationship (eg as a supplier or customer) with the entity or any of its child entities, or an officer of, or otherwise associated with, someone with such a relationship;
 - d. is a substantial security holder of the entity or an officer of, or otherwise associated with, a substantial security holder of the entity;
 - e. has a material contractual relationship with the entity or its child entities other than as a director;
 - f. has close family ties with any person who falls within any of the categories described above; or
 - g. has been a director of the entity for such a period that his or her independence may have been compromised.

For the purposes of this Criteria for Assessing Independence of Directors, a substantial shareholder shall mean a holder of shares representing 5% or more of the voting rights of a company.

7. In each case, the materiality of the interest, position, association or relationship needs to be assessed to determine whether it might interfere, or might reasonably be seen to interfere, with the director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity and its security holders generally.
8. Family ties and cross-directorships may also be relevant in considering interests and relationships which may compromise independence and should be disclosed by directors to the Board.
9. In determining whether a non-executive director is independent, simply being a nonexecutive director on the Board of another entity is not, in itself, sufficient to affect independence. Nevertheless, any director on the Board of another entity is expected to excuse themselves from any meeting where that entity's commercial relationship with the Company is directly or indirectly discussed.
10. The above guidelines must be applied with common sense. Directors are best able to determine if they have an interest or relationship which is likely to impact on their independence. As such, each director is expected to advise the Chairperson (or equivalent) immediately if he/she believes they may no longer be independent. Should the Chairperson or any other director have any concern about the independence of a director, they must immediately raise the issue with that director and, if the issue is not resolved, with the Board.
11. Should the Chairperson have any concern about his/her own independence, he/she must immediately raise the issue with the Board.

12. Each director must immediately disclose to the Chairperson or the Company Secretary all information relevant for determining whether the director is independent, including details of entities in which the director has a material direct or indirect shareholding (or other interest), is an executive officer or is a director.
13. In the preparation of the agenda for each board meeting, the Chairperson and Company Secretary need to be sensitive to disclosed interests and consider whether it is appropriate to withhold part or all of an agenda item (including any relevant papers) from any director because of a potential or actual conflict. If the Chairperson decides to withhold part or all of an agenda item from a director, he/she must advise the director at the time of dispatch of the relevant board paper.
14. Directors are to inform the Chairperson and the Company Secretary prior to accepting any new appointment to a public company's board.

Materiality

15. In the context of director independence, "materiality" is considered both from the perspective of the company and from the individual director, supplier, customer, consultant, adviser, or other third party. The determination of materiality requires consideration of both quantitative and qualitative elements. Qualitative factors considered include whether a relationship is strategically important, the competitive landscape, the nature of the relationship and the contractual or other arrangements governing it and other factors which point to the actual ability of the director in question to shape the direction of the company's.

Disclosure

16. Directors considered by the Board to be independent will be identified as such in the Corporate Governance Statement within the annual report. The Board will also state its reasons if it considers a director to be independent notwithstanding the existence of a relationship of the kind referred to above.
17. Where there is a change to the independent status of a director, this is to be immediately disclosed to the market.

Number of independent directors on the Board

18. The Board believes that the interests of the shareholders are best served by directors having the appropriate skills and experience, and contacts within the company's areas of business. At various times there may not be a majority of the directors classified as being independent. Consequently, where any director has a material personal interest in a matter, the director will not be permitted to be present during discussions or to vote on the matter, unless agreed by the Board. Compliance with this requirement should ensure that the interest of shareholders, as a whole, are pursued and not jeopardised by a lack of a majority of independent directors.
19. Regardless of whether directors are defined as independent, all directors are expected to bring independent views and judgement to board deliberations.