



Board Charter

Nearmap Ltd
(ACN 083 702 907)

BOARD CHARTER

Role of the Board

The Board's role is to govern the organisation, whilst it is the role of executive management to manage the organisation in accordance with the direction of the Board and any delegated authority.

The Board has responsibility for, and has the authority to determine, all matters relating to policies, practices, management and operations of Nearmap. It is required to do all things necessary to determine the objectives and the strategy, and to ensure that the strategy is carried out in order to achieve the objectives of the Company.

The principal goals of the Company are to commercialise the Nearmap technology on a domestic and international basis, generate sustainable revenues and profit and deliver strong growth for shareholders.

The Board has the final responsibility for the successful implementation of the strategies, and the ongoing operations and performance of the Company.

Without limiting the generality of that stated role, the matters reserved specifically for the Board includes:

Establish vision, mission and values

- Determining the vision, objectives and purpose of the Company;
- Approving and fostering an appropriate culture for the Company that is directly aligned to its values, strategies and objectives, including approving the Company's statement of values and Code of Conduct;
- Identifying occupational health, safety and environmental issues and formulating and implementing policies to address and manage them and to monitor the compliance and effectiveness of these policies; and
- Identifying all areas where written Board policy is required, determination of those policies, and overseeing the implementation and monitoring of compliance, including policy in relation to code of conduct, related party transactions, and trading in the Company's securities.

Set strategy and structure

- Formulating short term and long term strategies to enable the Company to achieve its objectives, and ensuring adequate resources are available to meet strategic objectives;
- Overseeing the Company, including its control and accountability systems;
- Appointing and approving the terms and conditions of the appointment of the Directors, Chief Executive Officer (or Managing Director if applicable) (**CEO**), other senior executives;
- Monitoring senior executives performance and implementation of strategy;

- Ensuring appropriate resources are available to senior executives;
- Whenever required, challenging management and holding it to account;
- Establishing and determining the powers and functions of the Committees of the Board, including the Audit and Risk Management Committee and the People, Culture and Remuneration Committee and considering the reports from these Committees and the recommendations made;
- Satisfying itself that the Company's policies are aligned with its purpose, values, strategic objectives and risk appetite;
- Satisfying itself that an appropriate framework exists for relevant information to be reported by management to the Board;
- Monitoring the effectiveness of the Company's governance practices;
- Approving the annual operating and capital budgets, and variations thereto, ensuring they are aligned with the Company's strategic objectives;
- Authorising expenditure approval limits for the CEO, and authorise expenditure in excess of these discretionary limits;
- Reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance, including monitoring whether the risk framework continues to be sound and whether the Company is operating with due regard to the risk appetite set by the Board;
- Reviewing annually the progress and performance of the Company towards meeting its objectives;
- Approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestitures;
- Reviewing periodically the process, outcomes and effectiveness of the Company's decisions and strategies, and ensuring that valuable lessons are identified, and absorbed into the process and framework for making future decisions; and
- Approving processes, procedures and internal control systems and ensuring that the Company's financial results are reported on a timely and accurate basis.

Exercise accountability to shareholders and be responsible to relevant stakeholders

- Determining, implementing and monitoring procedures to ensure that the ASX is promptly and adequately informed of all matters considered to be material, in accordance with the continuous disclosure obligations;
- Reviewing the performance of the Board, individual Directors and Board Committees;
- Encouraging effective communication between the Company and its shareholders, stakeholders, employees and the general public;

- Establishing and encouraging effective communication channels between the Company and shareholders and other parties having legitimate interests that may be effected by the Company's activities;
- Authorising the issue of securities and instruments of the Company;
- Monitoring developments in the Company's industry and general operating environment; and
- Approving the Half Yearly and Annual Financial Reports, Annual Report, notices of the Annual General Meeting and Extraordinary General Meetings, and profit and dividend announcements.

Powers of the Board of Directors

In order to ensure the efficient management of the Company, the Board recognises the need to delegate certain of its powers. These powers may be delegated to a Committee of the Board, an individual Director, or to an officer or employee of the Company.

In delegating this power, the Board must be satisfied that the delegate will exercise it reliably and competently, and in accordance with the requirements of the Board. The Board accepts responsibility for the manner in which the delegated powers are exercised, and must monitor the efficiency and effectiveness of the exercise of these powers by the delegate.

Delegation of Authority to CEO and Senior Management

The Board delegates responsibility for the day-to-day management of the Company and its operations to its CEO and senior management. This delegation of authority includes responsibility for:

- (a) Formulating with the Board, the vision, strategies, business plans and budgets, and, to the extent approved by the Board, implementing these plans, budgets and strategies;
- (b) Operating the Company's businesses within the parameters and having regard to the policies set by the Board from time to time, and keeping the Board informed of material developments in relation to those businesses;
- (c) Where proposed transactions, commitments or undertakings exceed the parameters set by the Board, referring the matter to the Board for its consideration and approval;
- (d) Identifying material business risks, formulating strategies in conjunction with the Board or the Audit and Risk Management Committee to manage the risks, and monitoring effectiveness of the management process and reporting to the Board and Audit and Risk Management Committee;
- (e) Developing and managing financial reporting and internal control and monitoring systems to ensure that they are efficient and effective, and provide adequate and timely financial information pertaining to the performance, condition, and prospects of the Company;
- (f) Implementing and monitoring compliance with the policies, processes and codes of conduct approved by the Board;

- (g) Negotiating the terms and conditions of appointment of senior executives for Board approval, appointing the senior management team, and endorsing the terms and conditions of appointment of all other staff members;
- (h) Implementing and monitoring compliance with policies, processes and procedures for the management and development of the Company's human resources, including the corporate culture and ethics and reviewing and providing feedback on the performance of all staff;
- (i) Providing strong leadership to, and effective management of, the Company in order to:
 - Encourage co-operation and teamwork;
 - Build and maintain staff morale at a high level; and,
 - Build and maintain a strong sense of staff identity with, and a sense of allegiance to, the Company.
- (j) Ensuring that all matters requiring review or approval by the Board are raised with sufficient supporting information and advance notice to allow proper consideration by the Board;
- (k) Reporting to the Board on a monthly basis, or other agreed time frame considered to be appropriate by the Board, the performance of all parts of the business against budget;
- (l) Developing strategies and procedures for crisis management of the Company; and
- (m) Inculcating the Company's values across the organisation, including ensuring that employees receive appropriate training on the values and continually referencing and reinforcing the values in interactions with staff.

Chair's Responsibilities

The Chair's responsibilities include:

- (a) Chairing the meetings of the Board in an impartial manner, ensuring that meetings are properly constituted, a quorum is present, minutes of previous meetings are considered as required, all Directors have a fair opportunity to participate, and the meeting is declared closed;
- (b) Developing a regular schedule of Board meetings, setting the agenda for the meetings in consultation with the CEO, and ensuring there is adequate time and balance allowed between strategic, operational and compliance issues;
- (c) Ensure a Board pack containing the necessary information for effective decision making is circulated sufficiently prior to the meeting to allow adequate time for review by Directors;
- (d) Ensuring that issues relating to conflicts of interest between the Company and its Directors and employees are properly dealt with in accordance with the Constitution and the Corporations Act;
- (e) Understanding of Board and general meeting rules and procedures;
- (f) Chairing the Annual General Meeting, and any Extraordinary General Meetings, and ensure that shareholders have adequate opportunity to ask questions and provide their comments in relation to the management of the Company;

- (g) Ensuring that the external audit partner is present at the Annual General Meeting and available to answer any questions raised by shareholders;
- (h) Providing leadership and ensuring the effective performance of the Board;
- (i) Fostering ongoing relations with management that are conducive to productive co-operation, and ensure the provision by management to Directors of accurate, timely and clear information;
- (j) Arranging regular evaluation of the performance of the Board and its Committees and of individual Directors;
- (k) Ensuring Directors continually update their skills and experience and knowledge of the Company necessary to fulfil their role on the Board and its Committees; and
- (l) Establishing a protocol to be applied in the event that the Chair is absent from meetings of the Board.

The role of the Chair and CEO should not be exercised by the same individual.

Board Structure

1. Criteria for Appointment

Directors are appointed under the terms of the Company's Constitution. Appointments to the Board are to be based upon merit and against criteria that serves to maintain an appropriate balance of skills, expertise and experience on the Board. The categories considered necessary for this purpose is a blend of accounting and finance, business, technical and administration skills. Prior to appointment, background checks as to the person's character, experience, education, criminal record and bankruptcy history shall be undertaken. These background checks will also be undertaken in respect of senior executives prior to their appointment.

2. Formality of Appointment

Directors should be appointed pursuant to formal agreements. The expectations of Directors should be set out in writing. To this end the Company provides new Directors with formal letters of appointment which includes the following information:

- Term of appointment;
- Time commitment envisaged;
- Powers and duties of Directors;
- Any special duties or arrangements attaching to the position;
- Circumstances in which an office of Director becomes vacant;
- Expectations relating to involvement in Committees of the Board;
- Remuneration including superannuation and expenses;
- Requirement to disclose Director's interests or any matters that may affect the Director's independence;
- Fellow Directors;
- Securities Trading Policy governing dealings in securities (including any share qualifications) and related financial instruments by Directors, including notification requirements;
- Induction training and continuing education arrangements;

- Board policy on access to independent professional advice;
- Indemnity and insurance requirements;
- Confidentiality and rights of access to corporate information;
- A copy of the Constitution; and
- Organisational chart of management structure.

In addition, new Directors are provided with an induction pack including information in relation to the Company's businesses, structure, constituent documents, financial position and strategic and business plans and participate in an induction process appropriate for that Director.

Newly appointed senior executives also receive letters of appointment and a job description describing their term of office, duties, rights and responsibilities, and entitlements on termination. New executives are required to participate in a Company induction process whereby they are provided with sufficient information to gain an understanding of:

- the Company financial position, strategies, operations and risk management policies; and
- the respective rights, duties and responsibilities and roles of the Board and senior executives.

3. Independent Directors

Factors relevant to assessing the independence of a Director include if the Director:

- 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;
- Receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, the entity;
- Is, or has been within the last three years, in a material business relationship (e.g. 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;
- Is, represents, or is or has been within the last three years an officer or employee of, or professional adviser to, a substantial holder;
- Has close personal ties with any person who falls within any of the categories described above; or
- Has been a Director of the entity for such a period that their independence from management and substantial holders may have been compromised.

Amended ASX Recommendation 2.4 states that 'a majority of the Board of a listed entity should be independent Directors' and Recommendation 2.5 states that 'the Chair of the Board of a listed entity should be an independent Director and in particular should not be the same person as the CEO of the entity'.

The independence of Board members is regularly reviewed and all Directors should provide the Board with relevant information in relation to such an assessment.

4. Role of Non-executive Directors:

Non-executive Directors collectively should:

- (a) Challenge executive management and contribute to the development of strategy;
- (b) Scrutinise the performance of executive management against agreed objectives and strategies;
- (c) Monitor the quality, quantity and efficiency of internal and external reporting of Company performance;
- (d) Review independently and challenge the proposals presented by executive management, requesting additional information where they consider the information provided is not sufficiently detailed to support informed decision-making; and
- (e) Take reasonable and proper steps to satisfy themselves that financial information released to the markets and shareholders is accurate, and that there are adequate and proper financial controls and systems of risk management (for both financial and non-financial risks) and that the controls are maintained and the systems robust.

Non-executive Directors individually should:

- (a) Take the time to ensure they are properly informed about the subject matter of all decisions they are called upon to make as Directors of the Company;
- (b) Monitor their own performance, taking into account their other time commitments, state of health, potential conflicts of interest, and personal circumstances, to determine whether they can properly discharge their duties and responsibilities as a Director of the Company, and provide quality assistance to enable the Company to achieve its objectives; and
- (c) Undertake ongoing education to maintain appropriate skill levels, and attend site visits to the Company to assist with the need to remain familiar with the Company's business activities.

5. Annual Review of Directors

Board composition should be reviewed annually by the People, Culture and Remuneration Committee to ensure that the Directors between them bring the range of skills, knowledge and experience necessary to direct the Company in the future, taking into account its current operations and expectations for changes in the nature and scope of its activities. Professional development for Directors should be considered where gaps are identified which are not expected to be addressed in the short term by new appointments.

6. Conflicts of Interest and Potential Conflicts of Interest

A Director must inform the Board or the Chair, as soon as the Director becomes aware of any conflict or potential conflict of interest, which that Director may have in relation to any

transaction or matter relevant to the Company or its business. Unless the Board decides otherwise, the Director should be absent from any discussion and decision on that transaction or matter.

7. Compliance with Legislation and Board Policy

Directors must comply with the relevant legislation impacting on their activities as Directors, and with all policies established by the Board.

Role of the Company Secretary

All Directors have access to the Company Secretary who supports the Board by monitoring Board policies and procedures to ensure they are being followed and coordinating the timely completion and dispatch of Board agenda and briefing material.

The appointment and removal of the Company Secretary is a matter for decision by the Board as a whole and the Company Secretary is accountable to the Board, through the chair on all governance matters.

Board Committees

The Board may establish as required, standing and temporary Committees to which it may delegate some of its powers. In order to define the role, responsibility, powers, structure, composition, operation and administration of each Committee, the Board and Committee should adopt a charter.

The Board has established the following Committees:

- ❖ Audit and Risk Management Committee; and
- ❖ People, Culture and Remuneration Committee

Audit and Risk Management Committee

The Audit and Risk Management Committee is responsible for:

- (a) Overseeing and appraising the quality of the external audit and the internal control procedures, especially in the following areas:
 - Financial reporting and practices;
 - Business ethics policies and practices;
 - Accounting policies; and
 - Management and internal controls.
- (b) Providing through regular meetings, a forum for communication between the Board, senior financial management staff involved in internal control procedures, and the external auditors;
- (c) Enhancing the credibility and objectivity of financial reports with other interested parties;
- (d) Enhancing the environment for identifying, analysing, managing and monitoring the operating risks involved in the business activities of the Company; and

- (e) Ensure that executive management are extensively involved in, and vouch for, the adequacy and effectiveness of the risk management systems.

Having regard to the size and business of the Company, the Audit and Risk Management Committee, where practicable should consist of:

- Only non-executive Directors;
- At least 3 members;
- A majority of independent Directors;
- An independent Chair who is not also Chair of the Board;
- Members who are financially literate, with at least one member possessing accounting or related financial expertise and qualifications; and
- At least one member who has experience in and an understanding of the industry in which the business operates.

People, Culture and Remuneration Committee

The People, Culture and Remuneration Committee will be responsible for:

- (a) remuneration strategies and practices generally;
- (b) composition and remuneration of the Board and process for identification, evaluation and appointment of Directors;
- (c) performance and remuneration of the CEO;
- (d) performance and remuneration of Executive management;
- (e) short term variable plans;
- (f) employee equity plans;
- (g) people, conduct and culture;
- (h) executive management succession, capability and talent development;
- (i) diversity and inclusion; and

remuneration disclosures, including ensuring the reward programs are fair and responsible and managed with integrity and in compliance with the ASX Listing Rules, the Corporations Act and ASX corporate Governance Principles and Recommendations (where considered appropriate).

Having regard to the size and business of the Company, where practicable the People, Culture and Remuneration Committee should consist of:

- At least 3 members;
- A majority of independent Directors; and
- An independent Chair.

Committee Requirements

The Chair of each Committee shall report to the Board, at the next following Board meeting, on the proceedings of each meeting of the Committee, bringing forward all recommendations of the Committee that require Board endorsement or approval.

Each Committee shall report to the Board annually, on all matters relevant to the performance of its role and the discharge of its duties during the period, having regard to ASX Corporate Governance Council recommendations.

Indemnity and Insurance

The Company has agreed to:

- indemnify each Director against the liability arising out of the discharge of the Director's duties;
- provided cover can be obtained at reasonable rates and on reasonable terms, to maintain an insurance policy for the Director against liability incurred in their capacity as a Director; and
- provide access to Company material as required for proper purposes.

Independent Professional Advice

If a Director considers it necessary to obtain independent professional advice to properly discharge the responsibility of his/her office as a Director then, provided the Director first obtains approval for incurring such expense from the Chair, the Company will pay the reasonable expenses associated with obtaining such advice.