

Delegation of Authority Policy

Overview

This policy outlines the main practices of Fleetwood Limited (**Company**) that are in place for the delegation of authority to management to conduct the day-to-day management of the Company.

This policy is intended to assist executive officers and others to effectively perform their duties and manage risk, whilst enabling the Board to monitor performance and compliance.

General Matters

- **Delegation of Authority to the management team.** The Managing Director is authorised to determine the authority levels that are to remain with the Managing Director, and those that are to be further delegated to management.
- **Corporate Strategy.** The Managing Director's delegated authority must be exercised in accordance with and guided by the Company's strategic plan. The Company's strategic plan and budget is approved by the Board at least annually.
Notwithstanding the express authorities granted elsewhere in this document, the Managing Director is expected to review with the Board any expenditure or disposal within the Managing Director's delegated authority where the proposal involves material sensitivities or exposure to a greater than normal level of economic, environmental or political risks (assessed by reference to commonly accepted industry standards).
- **Legal.** The Managing Director does not have authority in relation to those matters which are required by law to be approved by the Board.
- **Policy Interpretations and Amendments.** The Board reserves the right to amend this policy from time to time as determined by the needs of the business.

Banking and Investment Matters

- **Acquisitions and divestments.** All proposed acquisitions and divestments must be approved by the Board before a term sheet or equivalent document is issued to an external party.
- **Finance and Funding.** The Board must approve dividends and the dividend policy, issues or buybacks of shares, guarantees and financial support granted other than in the ordinary course of the business, any mortgage or security granted over group assets and loans to related parties.
- **New Credit Facilities / Borrowings.** New banking or credit facilities above \$5m must be approved by the Board.
- **Hedging and Derivative Transactions.** The Managing Director has authority to enter into these transactions in accordance with Board approved policies relating to hedging and derivative transactions.
- **Investor Relations / External Communications.** Board approval is required for releases of financial results, shareholder meeting materials and any release that may affect the share price.
- The Managing Director is authorised to conduct all investor and external relations activities.

Expenditure Authority

- **Capital Expenditures.** All proposed capital expenditure above \$2m must be approved by the Board, as must all non-budgeted capital expenditure above \$250,000.
- **Operating Expenses.** Material unbudgeted expenses must be approved by the Board.
- **Political Contributions.** Any proposed political donations and contributions must be approved in advance by the Board.



Sales and Marketing Authority

- **Standard Terms and Conditions.** Variations to the standard terms need to be approved as per the Board approved Fleetwood Group Contract Approval Limits policy.
- **Bids and Bid Contracts.** The Managing Director has authority to approve bids and contracts up to the value of \$30m in accordance with the Fleetwood Group Contract Approval Limits policy.

Real Estate Matters

- **Purchases and Sales.** All purchases of real estate must be approved by the Board.
- **Leases.** All real estate leases must be approved by the Board.

Legal Matters

- Matters likely to have an impact of greater than \$2m or material reputational issues must be escalated to the Board.
- Other legal actions must be reported to the Board for noting.

