

Management and Delegation Policy

1. Introduction

The Board appoints the CEO to manage the business. The Board may delegate their powers as they consider it appropriate. However, ultimate responsibility for strategy and control rests with the Board.

Where it delegates authority the levels of authority need to be clear to ensure accountability. Authorisations are primarily concerned with the powers to bind or create an obligation on the Company.

The Board can oversee the effectiveness of the delegations as it has access to the Company's management. In addition to regular presentations by management to Board meetings, the Board may seek briefings from management on specific matters.

2. Purpose

This Policy sets out those matters delegated to management. It should be read in conjunction with the Company's Board Charter (**Board Charter**).

3. Policy

Delegation to the Management

The Board has delegated to the CEO, authority over the day to day management of the Company, its subsidiaries and their respective operations. This delegation of authority includes responsibility for:

- (a) developing business and strategic plans and budgets for consideration by the Board and, to the extent approved by the Board, implementing these plans and budgets;
- (b) identifying and managing operational risks on a daily basis and, where those risks could have a material impact on the Company's businesses, formulating strategies for managing these risks for consideration by the Board;
- (c) managing the Company's current financial and other reporting mechanisms set up by the Board to ensure that these mechanisms and systems capture all relevant material information on a timely basis and are functioning effectively;
- (d) ensuring that the Board and its Committees are provided with sufficient information on a timely basis in regards to the Company's businesses and, in particular, with respect to the Company's financial condition, operating results and prospects, to enable the Board and those Committees to fulfil their governance responsibilities;

- (e) implementing the policies, processes and codes of conduct approved by the Board.

Any responsibilities not specifically delegated by the Board to the CEO or through him to management, will remain the responsibility of the Board.

Reporting to the Board

Management should provide appropriate and sufficiently detailed reports to the Board at regular intervals including:

- (f) decisions, exercise of powers, or issues, considered to be material;
- (g) a summary of activities in the business units;
- (h) information that gives assurance that appropriate accounting systems, information systems, controls, and procedures are being maintained; and
- (i) accounting and related information that sets out current, and forecast, status of the business.

Management, through the CEO, must supply the Board with this information in a form, timeframe and quality that will enable the Board to discharge its duties effectively. It follows that the Board is entitled to request additional information at any time when they consider it appropriate.

Authorisations

The CEO cannot exercise certain powers without the prior written authorisation of the Board ("Authorisations"). These powers are set out in Attachment A. The maximum limit of the transaction value for each power that can be exercised by the CEO and General Managers is also set out in Attachment A.

All employees need to understand the powers that have been assigned to their position and the point at which a decision must be referred to others.

Unless specified otherwise, powers are delegated to a position and not to a person.

An occupant of a position assumes the powers delegated to subordinates within their designated span of control.

Employees can only exercise assigned powers relating to their area or functional responsibility.

Temporary delegations (to cover extended leave or absence of the usual occupant of the Position) must be formally approved and promulgated.

Where General Managers need to delegate specific and significant powers and responsibilities to the next level of management, authority should be driven down through

the organisation to ensure people at every level are empowered to make timely and effective decisions relevant to their activities.

Authorisations apply to all business units and divisions throughout the Company. They can only be altered with approval of the Board.

4. Review of Authorisations

The Authorisations will be reviewed annually to ensure the content and levels of Authority remain relevant and should also be reviewed when any significant event occurs that could change the way the Authorisations are applied or interpreted (e.g. after a restructure, or an acquisition, or when there is a significant change in the business environment etc). The review will include a check for compliance.

Each General Manager will liaise with the CEO and conduct a review of the table of Authorisations, annually.

Adopted / Approved by the Board of Directors on the 23RD of May 2011.



Attachment A

