



## **BOARD CHARTER**

The Board Charter set out the principles for the operation of the board of directors ("Board") of Novogen Limited ("Novogen" or "the Company") and describes the functions of the Board.

### **1. Policy Introduction**

It is the intention of Novogen to meet the corporate best practice governance requirements recommended by the ASX, with a framework designed to:

- enable the Board to provide strategic guidance and financial management for Novogen, the effective oversight of management and monitoring of its operations and activities;
- identify areas of significant business risk and ensure adequate arrangements are in place to manage those risks;
- clarify the respective roles and responsibilities of Board members and senior executives in order to facilitate Board and senior executive accountability to both Novogen and its shareholders; and
- ensure a balance of authority so that no single individual has unfettered powers.

### **2. Role of the Board and its Membership**

The Board is responsible for corporate governance of Novogen. The Board ensures that the activities of the Company comply with its Constitution, from which it derives its authority to act, and will all applicable legal and regulatory requirements.

The Board oversees the business and affairs, establishes the strategies and financial objectives to be implemented by management and monitors standards of performance. Those responsibilities and the powers reserved to it are set out below in detail.

The membership of the Board will be directed by the following requirements:

- The Constitution of Novogen specifies that there must be a minimum of three directors and a maximum of ten, unless the directors determine as the maximum number from time to time another number greater than three;
- It is the intention of the Board that its membership consists of a majority of independent directors who satisfy the criteria recommended by the ASX best practice corporate governance requirements, though it is recognized that this intention may be impractical to implement given the size and scope of the Company's business; and
- The Chairman of the Board should be an independent director who satisfies the criteria for independence recommended by the ASX best practice corporate governance requirements. The Board should, collectively, have the appropriate level of personal qualities, skills, experience and time commitment to properly fulfil its responsibilities or have ready access to such skills where they are not available.

However, all directors, whether independent or not, should bring an independent judgement to bear on all Board decisions.

Under the Company's Constitution, the Board may establish committees to whom it delegates responsibility to consider certain issues in further detail and then report back to the Board ("Committees"). The Board will



adopt charters setting out the membership, administration, purpose, responsibilities and functions appropriate to each committee.

The Board has established the following Committees and it may establish other committees from time to time to consider matters of special importance:

- the Audit, Risk and Governance Committee; and
- the Remuneration and Nomination Committee.

Although the Board may delegate responsibilities and powers to Committees, the Board retains ultimate accountability for discharging its duties.

## **2.1 Role of the Chairman**

In addition to his or her role as a director, the role of the Chairman includes:

- ensuring the Board provides leadership and vision to Novogen;
- preparing the Board agenda in consultation with the directors, the Chief Executive Officer ("CEO") and company secretary;
- leading the Board, including presiding over Board and other company meetings, and directing Board discussions to effectively use the time available to address the critical issues facing the Company;
- ensuring Board minutes properly reflect Board debates and decisions;
- developing an ongoing and harmonious relationship with the CEO, such that the Chairman is kept fully informed of matters of interest to the Board;
- acting as a mentor for the CEO;
- facilitating the effective contribution of directors, including the commencement of the annual process of Board and director performance evaluation;
- promoting constructive, open and respectful relations between Board members and between the Board and senior executives;
- together with the Non-Executive Directors, facilitating the assessment of the CEO's performance; and
- guiding the ongoing effectiveness and development of the Board and individual directors.

## **2.2 Role of the Chief Executive Officer**

The Board has delegated to the CEO the authority to manage the day to day affairs of the Company and the authority to control the affairs of the Company in relation to all matters other than those responsibilities reserved to itself in this charter.

The CEO is responsible to the Board for the overall management and performance of Novogen. The CEO should manage the Company in accordance with the strategy, plans, practices and policies approved by the Board in accordance with direction from the Board to achieve the agreed objectives.

In particular, the CEO's responsibilities include:

- being the conduit through which the Board is provided sufficient and relevant information to act effectively;

- providing leadership to Novogen and acting as the Company's interface with its operating environment and the general business and investment community;
- taking action to implement the corporate strategy of Novogen, including being active in identifying new initiatives for consideration;
- ensuring Novogen's policies are complied with;
- referring all matters outside of the CEO's delegation to the Board for approval; and
- other responsibilities as delegated by the Board from time to time.

All directors will have access to the CEO. The decision to appoint or remove the CEO must be made or approved by the Board. The CEO reports directly to the Board and is subject to at least an annual performance evaluation conducted by the other directors.

### **2.3 Role of Individual Directors**

The role of directors includes:

- contributing to Board activities to the best of their abilities and with the highest level of skill and care possible;
- discharging their duties in good faith, diligently, honestly and lawfully in the best interests of Novogen's shareholders;
- using the powers of office for proper purpose, in the best interests of the Company as a whole;
- acting with the required care and diligence, demonstrating commercial reasonableness in their decisions;
- avoiding conflicts of interest, not allowing personal interests, or the interests of any associated person, to conflict with the interests of Novogen;
- notifying other directors of a material personal interest when a conflict arises or if there is a reasonable possibility of a conflict between their personal and business interests (including by providing full and frank disclosure of the conflict);
- not making improper use of information gained through their position of director;
- not take improper advantage of their position as a director;
- making reasonable enquiries to ensure that Novogen is operating effectively, efficiently and legally toward achieving its objectives;
- undertaking diligent analysis of all proposals placed before the Board;
- serving on Board committees as required;
- participating in the appointment of new directors and directors' annual performance evaluation; and
- acting fully in accordance with the duties and obligations imposed on them and the Board, by the Company's Constitution and the law.

## **2.4 Role of the Company Secretary**

The Company Secretary is generally responsible for carrying out the administrative and statutory requirements of the Board by:

- coordinating the development of the Board agenda in a timely and effective manner for approval by the Chairman;
- ensuring, in conjunction with the CEO, that the Board papers are prepared in a timely and effective manner;
- ensuring the timely dispatch of the Board agenda and Board papers;
- coordinating, organizing and attending meetings of the Board and shareholders, and ensuring the correct policies, processes and procedures are followed;
- drafting and maintaining minutes of Board and Company meetings;
- working in conjunction with the CEO and senior executives, to carry out the instructions of the Board and giving practical effect to the Board's decisions;
- working with the Chairman and CEO to establish and deliver governance practices that meet the ASX requirements, including all financial reporting requirements;
- assisting and advising the Board and its committees on corporate governance processes and matters; and
- assisting and facilitating the induction and professional development of directors.

All directors will have access to the Company Secretary. The decision to appoint or remove the Company Secretary must be made or approved by the Board. The Company Secretary is accountable to the Board, through the Chairman, on all governance matters and proper functioning of the Board.

## **2.5 Role of the General Counsel (if any)**

The General Counsel is responsible for managing all transactional and other legal matters, including, without limitation, all regulatory compliance issues, whether in-house or in conjunction with outside counsel.

All directors will have access to the General Counsel.

## **3. Responsibilities of the Board and Performance Evaluation**

### **3.1 Responsibilities**

The full range of the Board's responsibilities is determined by law and the requirements of the Company, including the following:

Performance:

- ensuring the long-term viability of Novogen and enhancing its financial position;
- providing oversight and final approval of the Company's corporate strategy;
- monitoring senior executives' implementation of the Company's corporate strategy;
- approving and monitoring the business plan, budget and corporate policies;

- monitoring and assessing performance of the Company and the Board itself;
- overseeing the process of strategic management of current corporate projects;
- overseeing the risk management framework and monitoring of material business risks including the Company's controls and accountability systems;
- approving risk management policies and monitoring compliance with those policies; and
- monitoring developments in the industry and the operating environment.

Compliance / legal conformance:

- understanding and protecting the financial position of Novogen;
- monitoring and requiring legal and regulatory compliance;
- reviewing and approving annual accounts, annual reports and other public documents and sensitive reports;
- monitoring and approving financial and other reporting; and
- ensuring an effective system of internal controls exists and is functioning as required.

Overall operations:

- establishing Novogen's vision, mission, values and ethical standards as reflected in a Code of Conduct;
- monitoring compliance with ethical standards;
- delegating an appropriate level of authority to management and approving any additional changes to those delegations;
- ensuring appropriate resources are available to senior executives;
- demonstrating corporate leadership;
- assuming responsibility for the relationship with the CEO including his/her appointment, succession, performance assessment, remuneration and dismissal;
- where appropriate, ratifying the appointment and, the removal of senior executives;
- overseeing aspects of the employment of senior executives including remuneration, performance and succession planning;
- selecting auditors;
- recommending the appointment, and reviewing the performance, of directors;
- appointing the members of Board committees;
- ensuring effective communication to shareholders, staff and other stakeholders;
- ensuring that a full suite of risk management procedures are in place; and
- approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestitures.

Matters which are specifically reserved for the Board or its committees include the following:

- the issue of securities, subject to the requirements of the law;
- appointment of a Chairman;
- appointment and removal of the CEO and the Company Secretary;
- appointment of directors to fill a casual vacancy or as additional directors;
- ratifying the appointment and removal of senior executives;
- establishment of Board committees, their membership and authority;
- approval of dividends;
- corporate governance principles and policies;
- approval of major capital expenditure, capital management, and acquisitions and divestitures; and
- any other specific matter nominated by the Board from time to time.

### **3.2 Performance Evaluation**

At least once per year the Board will, with the advice and assistance of the Nomination and Remuneration Committee, review and evaluate the performance of the Board, each Board committee and each individual director against the relevant charters, corporate governance policies and procedures as necessary.

Following each review and evaluation, the Board will consider how to improve its performance.

## **4. The Role of Management**

The senior executives' role and responsibility is to:

- recommend corporate strategy to the Board for approval and once it is approved, implement the corporate strategy;
- assume day to day responsibility for the Company's conformance with relevant laws and regulations and its compliance framework;
- achieve the performance targets set by the Board;
- develop, implement and manage risk management and internal control frameworks;
- develop, implement and update policies and procedures;
- be alert to relevant trends in the industry and the Company's operating environment;
- provide sufficient, relevant and timely information to the Board to enable the Board to effectively discharge its responsibilities; and
- manage human, physical and financial resources to achieve the Company's objectives - in other words to run the day to day business in an effective way.

## **5. Delegation of Authority to Management**

The Board has delegated responsibility for the conduct of the Company's businesses to the CEO but remains responsible for overseeing the performance of management.

The Board has established delegated limits of authority that define the matters delegated to management and those which require Board approval. The policies and delegated limits of authority are reviewed on a regular basis.

## **6. Assistance to Board to Fulfil Roles and Responsibilities**

Board members will be assisted by the Company to fulfil their roles and responsibilities in ways which include:

- the provision of induction materials for new directors in order to gain an understanding of Novogen's financial, strategic, operational and risk position, their rights, duties and responsibilities, the roles and responsibility of senior management and the role of Board committees;
- the offer by the Company of a Deed of Access and Indemnity; and
- professional development opportunities to update and enhance their skills and knowledge. This includes education concerning key developments in Novogen and in the industry and environment within which the Company operates.

## **7. Risk Management**

The Board is responsible for implementing a culture that will promote risk awareness and its effective management throughout the Company.

The Board, through its Audit, Risk and Governance Committee, will monitor the effectiveness of the Company's risk management and satisfy itself that the appropriate internal control mechanisms are in place and are being implemented. It shall maintain a direct and ongoing dialogue with the Company's auditors and, where appropriate, principal regulators and ensure compliance with all regulatory requirements.

## **8. Social and Ethical Responsibility**

The Board shall set standards for social and ethical practices and consider how these practices will impact the Company's activities.

## **9. Conduct of Board Meetings**

Board meetings will be conducted in accordance with the Company's Constitution.

A Chairman will be appointed in accordance with the Constitution.

The Constitution provides that the quorum for a meeting may be fixed by the Directors and unless so fixed, is two Directors present. The quorum must be present at all times during the meeting.

Every director is entitled to notice of a Board meeting, which notice will be given in accordance with the Constitution.

Board meetings will normally be held monthly, or as required to meet the needs of the business, at venues, dates and times agreed, where practical, in advance.

In the ordinary course, Board and committee papers will be provided to directors at least three business days before the meeting, unless the meeting has been called urgently.

The agenda for each Board meeting will be approved by the Chairman of the meeting and where relevant, developed in consultation with the CEO and Company Secretary.

Board and committee papers will contain sufficient and relevant information to enable directors to efficiently discharge their responsibilities and to make informed decisions on each of the agenda items for consideration.

The minutes of Board meetings will be prepared by the Company Secretary in consultation with the Chairman and then distributed to the entire Board for comment and approval by way of Circular Resolution, all to occur within three weeks or less from the date of the Meeting so minuted.

#### **10. Confidentiality**

All directors are required to keep confidentiality all information provided to them in their capacity as a director and must not disclose or improperly use such information.

#### **11. Review of Corporate Governance Policies and Charters**

The Board will review this charter annually.

The Board will, with the advice and assistance of the (i) Nomination and Remuneration Committee and (2) the Audit, Risk and Governance Committee, review the performance and effectiveness of the Company's corporate governance policies and procedures and, if appropriate, amend those policies and procedures as is necessary.

The Board will review and approve all disclosures related to any departures from the ASX Corporate Governance Principles and Recommendations.