



Role of Chairman

1 Introduction

- 1.1 This policy outlines HRL Holdings' guiding principle and procedures in relation to the Role of the Chairman. The policy should also be read in conjunction with the role and responsibilities of Directors under the Board Charter and the constitution.

2 Status & Appointment

- 2.1 The Chairman is a non-executive director, appointed by the Board.

3 Separation of function from Chief Executive Officer

- 3.1 The Board recognises that it is important that the Chairman and CEO have defined roles in the organisation and function in accordance with clear functional lines.
- 3.1 The Chairman is responsible for facilitating the development by the Board of:
- the strategic direction of the company; and
 - the tone, style and corporate ethics of the company.

4 Board Operations

The role of the Chairman in respect to Board operations includes:

- 4.1 Adopt a leadership role in the conduct of the Board's responsibilities and lead and manage the Board in the discharge of its duties.
- 4.2 Set the agenda for the performance of the Board's responsibilities
- 4.3 Take a leadership role in the formulation of the policy of the company and ensure that the agenda is forward-looking and concentrates on strategic matters.
- 4.4 Chair Board meetings.
- 4.5 Ensure Board meetings occur with appropriate frequency.
- 4.6 Ensure there is sufficient time allowed for the discussion of complex or contentious issues.
- 4.7 Encourage the active engagement of all Board members through a full and frank exchange of views at Board meetings and ensure that the views of all directors are heard.
- 4.8 Establish agendas for Board meetings in consultation with management. Chair meetings of members including the AGM.
- 4.9 Lead the Board in the monitoring of management, the assessment of the company's financial position and performance and the detection of any material adverse developments and to receive reports from the CEO as necessary.
- 4.10 Be the primary spokesperson at the AGM.



5 Board Members

The role of the Chairman in respect to Board members includes:

- 5.1 Ensure appropriate membership (and balance of composition) of the Board and lead and suggest changes to Board membership as required.
- 5.2 Take the lead in providing an induction program for new directors
- 5.3 Assist with the development of individual Board members and the Board as a whole in terms of its effectiveness.
- 5.4 Ensure the annual process of Board evaluation is conducted and that appropriate action is taken to address any shortcomings identified in that review.

6 Executive Management

The role of the Chairman in respect to executive management includes:

- 6.1 Be the primary channel of communication between the CEO and the Board.
- 6.2 Be kept fully informed by the CEO of all material matters of relevance to the Board.
- 6.3 Provide guidance and mentoring to the CEO - be available as a sounding board for the CEO.
- 6.4 Chair the CEO evaluation process.
- 6.5 Inspect projects regularly.

7 AGM and Disclosure

The role of the Chairman in respect of the AGM and disclosure includes:

- 7.1 Chair the AGM and be the primary spokesperson.
- 7.2 In conjunction with CEO and Group Company Secretary, approve all ASX releases.
- 7.3 Presentation of the half and full year results to shareholders and communication of the results to the media in partnership with the CEO and to the investment community (as required).

All queries regarding issues raised in this policy should be directed to the Company Secretary

This policy was reviewed and approved by the Board on 24 November 2014.