



Board Charter

December 2025

1. Introduction

CEA Technologies Pty Limited (CEA Technologies) is a proprietary company limited by shares incorporated under the Corporations Act 2001 (Cth) (**Corporations Act**). The issued share capital of the company is held as follows:

- a. Commonwealth of Australia holds 71.84%. The Commonwealth is represented by the Minister for Finance and the Minister for Defence (**Shareholder Ministers**); and
- b. Ian Thomas Croser (**Croser**) holds 28.16%
(together, **Shareholders**).

CEA Technologies is a majority owned Commonwealth company and a Government Business Enterprise (**GBE**) for the purposes of the Public Governance, Performance and Accountability Act 2013 (the **PGPA Act**) and the Public Governance, Performance and Accountability Rule 2014 (the **PGPA Rule**).

The purpose of this Board Charter is to:

- a. ensure high standards of corporate governance;
- b. clarify the roles and responsibilities of the Directors; and
- c. enable the Board to provide strategic guidance for CEA Technologies and effective management oversight.

2. Board size, composition and independence

There may only be a maximum of eight Directors (including the Chair). The Board must comprise:

- a. six independent Directors (including the Chair) appointed by the Shareholder Ministers; and
- b. two Directors appointed by Croser (one of which may be Croser himself).

The required minimum number of Directors for quorum is five Directors of which one must be appointed by the Shareholder Ministers and one must be appointed by Croser. Subject to the Corporations Act, a Director may only be removed by their appointing Shareholder.

3. The CEA Board's role and responsibilities

The Board acts in the best interests of CEA Technologies as a whole and is accountable to Shareholders for the overall direction, management and corporate governance of the company.

The Board is responsible for:

- a. overseeing the company, including its control and accountability systems;
- b. appointing and monitoring the performance of the Chief Executive Officer (**CEO**) and, where appropriate the removal of the CEO;
- c. approving other senior leadership appointments, organisational changes and senior management remuneration policies and practices;

- d. monitoring senior executives' performance and implementation of strategy, and ensuring appropriate resources are available;
- e. facilitating and approving succession plans and arrangements for management;
- f. reporting to Shareholders;
- g. providing strategic advice to management;
- h. approving corporate strategy and performance objectives;
- i. approving the Budget and Business Plans and determining dividend payments in accordance with the Shareholders Agreement;
- j. approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestitures;
- k. approving and monitoring financial and other reporting;
- l. reviewing and ratifying systems of risk management, internal compliance and control, and legal compliance to ensure appropriate compliance frameworks and controls are in place;
- m. exercising due diligence (as provided for in work health and safety legislation) to ensure the company complies with its duties under work health and safety legislation;
- n. reviewing and overseeing the implementation of the code of conduct for Directors and all other employees;
- o. approving charters or terms of reference of Board committees;
- p. monitoring and overseeing compliance with legal and regulatory requirements and ethical standards and policies; and
- q. monitoring and overseeing high standards of corporate governance.

4. Duties of individual Directors

In addition to their collective responsibilities, Directors are required to:

- a. attend and participate in Board meetings and meetings of committees on which they serve;
- b. spend the time needed, and meet as often as necessary, to properly discharge their responsibilities;
- c. review meeting materials before Board meetings and committee meetings;
- d. ask questions of, request information from, and raise any issue of concern with management. Directors are encouraged, where possible, to ask any questions and raise issues of concern before a meeting so that management is prepared to address them;
- e. exercise independent judgment when making decisions;
- f. publicly, support the letter and spirit of Board decisions;
- g. keep Board information, discussions, deliberations, and decisions that are not publicly known, confidential; and
- h. comply with their legal duties when discharging their responsibilities as Directors. Broadly, these duties are:
 - i. to act in good faith and in the best interests of the company as a whole. Subject to this duty, a Director appointed by a particular Shareholder may have regard to, and act in the interests of, their appointing Shareholder;

- ii. to act with care and diligence;
- iii. to act for proper purposes;
- iv. to avoid a conflict of interest or duty; and
- v. to refrain from making improper use of information gained through the position of Director or taking improper advantage of the position of Director.

5. Board committees

The Board has established the following committees to assist it in carrying out its responsibilities, to share detailed work and to consider certain issues and functions in detail:

- a. Audit, Risk and Security Committee; and
- b. People and Culture Committee.

The charter or terms of reference of each Board committee setting out matters relevant to the composition, responsibilities and administration of the committee must be approved by the Board. Each committee will review its charter from time to time as appropriate.

At least one Director appointed by each Shareholder must be appointed to each sub-committee of the Board.

6. Chair of the Board

The leadership of CEA Technologies is a responsibility collectively shared by the Board and the Chief Executive Officer.

The Chairperson of the Board is the leader of the Board and is appointed by the Shareholder Ministers. Within the ambit of the role as leader of the Board, the Chairperson acts as Chair. In the capacity as Chair, the Chairperson assures the integrity of the Board's processes and, represents the Board (and when explicitly authorised to do so, CEA Technologies) as appropriate to outside parties.

7. Executive leadership

The CEO is responsible to the Board for the leadership and management of the company including:

- a. implementing, actioning and otherwise approving all such actions and initiatives as are required in order to achieve CEA Technologies' strategic and operational direction, as approved by the Board;
- b. managing resources within budgets approved by the Board; and
- c. overseeing compliance by CEA Technologies with applicable laws and regulations.

The Technical Director has responsibility for the technical strategy for the business and the leadership and management of the engineering department, including research and development.

8. Company Secretary

The function of the Company Secretary is performed by the role of General Counsel and Company Secretary. The role is accountable to the Board, through the Chair, on corporate governance matters. Each Director may communicate directly with the General Counsel and Company Secretary and vice versa.

9. Meetings

The Board must meet at least six times per calendar year unless otherwise agreed by the Board. The Directors may agree the dates for meetings of Directors for each calendar year. Any changes or additions to the agreed dates must be determined by the Board.

Directors are to be provided with Board meeting papers in sufficient time to enable them to read the papers and properly prepare to participate fully in an informed discussion of all agenda items.

Except for matters requiring a Special Majority Directors Resolution or a Unanimous Directors' Resolution (each as defined in the Shareholders Agreement), a decision of the Board must be passed by Ordinary Directors' Resolution (as defined in the Shareholders Agreement).

10. Conflicts of interest

Directors are expected to be sensitive to conflicts of interest or duty that may arise and mindful of their fiduciary obligations.

Directors must:

- a. disclose to the Board any actual or potential conflict of interest or duty that might reasonably be thought to exist as soon as the situation arises;
- b. take necessary and reasonable action to resolve or avoid any actual or potential conflict of interest or duty; and
- c. comply with the Corporations Act and the Conflicts of Interest Policy.

11. Access to information and advice

Directors have access to any information they consider necessary to fulfil their responsibilities and to exercise independent judgment when making decisions.

Directors have access to:

- a. management to seek explanations and information from management; and
- b. auditors, both internal and external, to seek explanations and information from them without management being present.

Directors may seek any independent professional advice they consider necessary to fulfil their responsibilities and to exercise independent judgment when making decisions in accordance with the procedure agreed by the Directors.

12. Performance evaluation

As a part of its sense of accountability to key stakeholders, the Directors commit to a process every year for the evaluation of the Board's effectiveness. This is undertaken with a view to continuous improvement, rather than with a sense of identifying failures or shortcomings of the Board. The Board may engage an independent consultant to undertake the evaluation.

13. Charter review

13.1. This charter will be reviewed annually.

Date	Summary of changes	Author	Approval	Approval date
1 December 2025	Establishment of document	Company Secretary	Board	10 December 2025