

BOARD CHARTER

Role

The role of the Board is to oversee and guide the management of Decimal Software Limited with the aim of protecting and enhancing the interests of its shareholders, taking into account the interests of other stakeholders, including employees, (future) customers, suppliers and the wider community.

The Board has an approved delegation of authority framework that establishes the respective responsibilities of the Board and senior executives.

Responsibilities

The Board is responsible for:

- Approving the Company's strategic and operating objectives and monitoring the implementation by management;
- Reviewing and ratifying the Company's financial position, systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- Approving and monitoring the progress of major projects, capital management, research and development, acquisitions and divestments;
- Approving the appointment and remuneration of Directors and reviewing their performance;
- Evaluating the performance of the Executives and setting the basis for determining corporate remuneration;
- Ensuring that policies and procedures in place are consistent with the Company's objectives; and
- Monitoring that the Company and its officers act legally, ethically and responsibly in all matters.

Composition

The Board should consist of at least three Directors. The roles of Chairman and the Chief Executive Officer should not be exercised by the same individual. The Board believes that the current Board structure is best suited to enable the Company to deliver shareholder value and manage the operations of the Company given the current size. The Board will continue to evaluate its internal structures to ensure that is in the best position to deliver value to shareholders.

Board Meetings

Board meetings are to be held regularly and the Company Secretary is required to give reasonable notice of a meeting. Other meetings may be held provided that sufficient notice is given to all Directors. The Chairman will call a meeting of the Board if so requested by any Director.

Independence

Directors are expected to bring independent views and judgment to the Board's deliberations. In considering whether a Director is independent, the Board considers the independence criteria in ASX Corporate Governance Principles and Recommendations Principle 2 and other facts, information and circumstances deemed by the Board to be relevant. The Board assesses the independence of new Directors upon appointment and reviews their independence, and the independence of the other Directors, at other times as appropriate.

The test of whether a relationship is material is based on the nature of the relationship and the circumstances of the Director. Materiality is considered from the perspective of the Group, the Director, and the person or entity with which the Director has a relationship.

Conflict of Interest

Directors are required to avoid conflicts of interest and immediately inform their fellow Directors should a conflict of interest arise.

Any conflict of interest that may arise must be immediately notified to the Chairman of the Board. The Director involved may not participate in any discussion (unless the balance of the Board approves in advance), but regardless shall not vote on a matter related to the conflict of interest.

Committees

The Board may from time to time establish committees, to assist it in the discharge of Board responsibilities.

Upon creation of a committee the Board will adopt a charter setting out the role, rights, responsibilities, composition and other matters. All committees may make recommendations and shall not have the power to bind Decimal Software Limited to any action.

Board access to information and independent advice

All Directors have unrestricted access to employees of Decimal and, subject to relevant legislation, access to all Company records and information held by Decimal employees and external advisers. The Board receives regular detailed financial and activity reports from senior management to enable it to carry out its duties.

Each Director may, with the prior written approval of the Chairman, obtain independent professional advice to assist the Director in the proper exercise of powers and discharge of duties as a Director or as a member of a Board committee. The Company will reimburse the Director for the reasonable expenses of obtaining such advice.

Division of responsibility between the Board and Senior Management

The Board is responsible for setting the strategic direction for the Company, establishing goals for management and monitoring the achievement of these goals.

The CEO is responsible to the Board for the day-to-day management of the Company and the performance evaluation of senior executives and employees.

Measurement of Board performance

The Chairman, at least once each year, facilitates a self-evaluation performance review covering the Board and all of its standing committees. The results are considered by the Board as part of its annual planning session. The evaluation criteria include:

- relevance of the Board's role and responsibilities;
- Board composition appointments, professional knowledge and competence;
- Board leadership, teamwork and relationship with management;
- conduct of meetings, strategic awareness and the effectiveness thereof;
- self-evaluation and evaluation of the CEO, Company Secretary and other relevant Executive's performance; and
- general conduct, including ethics, stakeholder relations and endowments;

Approved by the Board of Decimal Software Ltd on 11 June 2018.