



## BOARD CHARTER

### Introduction

In carrying out its responsibilities and powers as set out in this Charter, the Bionomics Limited Board will at all times recognise its overriding responsibility to act honestly, fairly, diligently, and in accordance with the law in fulfilling its primary responsibility of looking after the interests of Bionomics shareholders. The Board believes that the interests of shareholders are best served by also taking into account the interests of other stakeholders such as Bionomics employees and individuals engaged in Bionomics directed research at Bionomics' affiliated institutions.

The Board will work to promote and maintain an environment within Bionomics that establishes these principles as basic guidelines for all of its employees.

### Purpose and Role

The Board is responsible for:

- Charting the strategic direction of Bionomics, approving Company objectives in line with that strategic direction and monitoring progress towards Board approved objectives;
- Approving the Company's statement of core values and Code of Business Conduct to underpin the desired culture within Bionomics
- Overseeing Management in its implementation of the Company's strategic objectives, instilling the Company's values and performance generally
- Ensuring that the Company's remuneration policies are aligned with the entity's purpose, values, strategic objectives and risk appetite;
- Monitoring compliance with regulatory requirements and ethical standards; and,
- Appointing, and reviewing the performance and remuneration of the Chief Executive Officer or Executive Chairman (as applicable).

In performing the responsibilities set out above the Board will act at all times:

- In a manner designed to create and continue to build sustainable value for shareholders; and
- In accordance with the duties and obligations imposed upon them by the Constitution of Bionomics, the Australian Securities Exchange and by law.

The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board and Board Committees.

### Powers and Responsibilities

The Board delegates all management responsibility for the business of the Company to the Executive Chairman or Chief Executive Officer as applicable, except for matters expressly

required by law to be approved by the Board. The following powers are specifically reserved for the Board:

- Approval of each of the following:
  - The business plan, scientific, corporate and financial objectives linked to the plan, the annual budget and financial plans including available resources and major capital expenditure initiatives.
  - Major corporate initiatives including third party agreements relating to commercialisation and the scope of the Company's scientific activities.
  - Announcements to shareholders and the Australian Securities Exchange.
  - The review and ratification of Bionomics' corporate governance procedures, systems of risk management and internal compliance and control, codes of conduct, and the monitoring of compliance.
  - Appointment of direct reports to the Chief Executive Officer and appraisal of management's performance in achieving Board approved objectives.

### **Membership of the Board**

The Company's constitution provides for the number of directors to be not less than 3 and not more than 12 as determined by the directors from time to time.

The current members of the Bionomics Limited Board and their tenure on the Board are as follows:

<b>Member</b>	<b>Current Position</b>	<b>Director Since</b>
Dr Errol De Souza	Executive Chairman	2008
Mr David Wilson	Non-Executive Director	2016
Mr Alan Fisher	Non-Executive Director	2016
Mr Aaron Weaver	Non-Executive Director	2020
Dr Srinivas Rao	Non-Executive Director	2020
Dr Jane Ryan	Non-Executive Director	2020

### **Responsibilities of the Chairman and the Chief Executive Officer**

Within the Charter of the Board, the responsibilities of the Chairman of the Bionomics Board are as follows:

- To provide leadership of the Board for the efficient organisation and conduct of the Board's function, and for the briefing of all directors in relation to issues arising at Board meetings.
- To facilitate the effective contribution of all directors and promote constructive and respectful relations between Board members and between Board and management.
- To communicate Board thinking to the Chief Executive Officer (CEO)
- approving board agendas and ensuring that adequate time is available for discussion of all agenda items, including strategic issues.

The relationship between the Chairman and the CEO shall be based on a shared understanding that there is a mutual requirement of both the CEO and the Chairman to bring to the attention of the other in a timely manner important matters relating to the Company of which they become aware and of those matters which the CEO is obliged to report to the Chairman as set out in the CEO's contract of employment or other directives made to the CEO from the Board from time to time.

The Chairman shall ordinarily convene a meeting of independent, non-executive directors without executive directors present around the time of the Company's AGM and whenever all directors are present together in person. The Chairman may also convene such a meeting at such other times as deemed necessary or as requested from time to time, but in any event at least three times per year.

The responsibilities of the CEO are to implement Company strategies and policies. The obligations of CEO are currently being performed by the Executive Chairman.

### **Roles and Responsibilities of the Lead Independent Director.**

Where the Chair of the Board is not an Independent Director, the Board of Directors designates an Independent Non-Executive Director to serve in a lead capacity to coordinate the activities of the other Non-Executive Directors or Independent Directors and to perform such other duties and responsibilities as the Board of Directors may determine. The specific responsibilities of the Lead Independent Director when acting as such shall be as follows:

- Confer with the Executive Chairman on any issues raised by Non-Executive Directors or Independent Directors on the discharge of the Board's responsibilities;
- Serve as a liaison for consultation and communication with shareholders and corporate governance advisors on matters where it is not appropriate for the Executive Chairman or other Executive Directors to deal with the issue due to lack of independence;
- Recommend to the Executive Chairman on the retention of advisers and consultants who report directly to the Board of Directors as appropriate;
- Calling meetings of the Non-Executive Directors and/or Independent Directors;
- Serve as principal liaison between the Non-Executive Directors and the Executive Chairman on sensitive issues;
- Serve as Chair of the Board when the Executive Chairman is not present or when the Executive Chairman is unable to act in that capacity as a result of his lack of independence;
- Serve as Chair at meetings of Non-Executive Directors and Independent Directors as desired from time to time on matters of interest to the Non-Executive Directors and Independent Directors without the presence of the Executive Chairman or of senior management.

The Company Secretary will provide such assistance as may be required by the Lead Independent Director in order to convene any meeting of Non-Executive Directors or Independent Directors and to attend and take minutes of such proceedings.

### **Independence and Independent Decision Making**

The Board aims to maintain a majority of its members as independent directors.

An independent director is one who is independent of management and free of any business, shareholder or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with – the exercise of their unfettered and independent judgement.

The Board considers Mr Fisher, Mr Wilson and Dr Ryan independent Non-Executive directors.

Issues relating to an assessment of the independence of a director shall be determined by reference to the guidance provided by the ASX Corporate Governance Council, Corporate

Governance Principles and Recommendations ( Fourth Edition) set out in Appendix 1. The Board shall determine the thresholds of materiality from the perspective of both the Company and its directors in determining whether such a director maintains an independence of mind.

To assist all directors to bring an independent judgement to bear in decision making, it has been agreed by the Board that Directors of Bionomics may seek independent professional advice, at the expense of Bionomics Limited, on any matter connected with the discharge of their responsibilities. Prior written approval of the Chairman is required, but this will not be unreasonably withheld. Copies of this advice will be made available to, and for the benefit of, all Board members at the discretion of the Chairman.

### **Conflicts of Interest**

All Board members are required, as a continuing obligation, to immediately notify the Board in writing of any actual or potential conflicts of interest or any circumstances that may affect a Board member's level of independence.

Where there is on any matter a potential or actual conflict of interest involving any Board member, generally such Board member is not entitled to:

- Receive any Board papers relating to the matter,
- Attend any part of a Board meeting on the matter, or,
- Vote on that matter,

unless the other directors unanimously decide otherwise. In other circumstances, management of actual or potential conflicts of interest shall be determined by the Chairman in consultation with other Board members.

### **Board Committees**

The Board may from time to time establish committees to assist it in carrying out its responsibilities, and shall adopt charters setting out matters relevant to the composition, responsibilities and administration of such committees, and other matters that the Board may consider appropriate.

As at the date of the adoption of this Board Charter the following standing committees have been formed:

- Audit and Risk Management Committee.
- Nomination & Remuneration Committee

The Chair of all sub-committees of the Board shall report directly to the full Board of Bionomics Limited.

### **Director Appointment**

In the event that the Board believes a new director should be appointed to the Board, it may convene the Nomination & Remuneration Committee to assist the Board identify and recommend suitable candidates for appointment.

Potential candidates will be sought based on the statement of Necessary Director Competencies set out in Appendix 2 as amended by the Board for any particular Board appointment and the particular skill gap or experience the Board is seeking to address. The Nomination & Remuneration Committee will undertake a search for new non-executive

directors with the assistance of a professional search firm when deemed appropriate/necessary. Appropriate background checks are undertaken as part of the selection process or before recommending a candidate to the Board. The Nomination & Remuneration Committee Charter is available on the Company website.

Upon the Board resolving to make a new appointment, the Chairman shall provide a letter of appointment to the appointee which the appointee shall sign as a pre-condition to their formal commencement as a member of the Board.

### **Performance Review**

The Board shall undertake an annual performance evaluation of itself that:

- Compares the performance of the Board with the requirements of its Charter;
- Involves the Chairman meeting individually with each Board member to assess how Board performance may be improved; and
- Effects any improvements to the Board Charter deemed necessary or desirable.

The performance evaluation shall be conducted in such manner as the Board deems appropriate.

## APPENDIX 1

### Guidelines for Assessing the Independence of a Director

#### Box 2.3 ASX Corporate Governance Council Principles & Recommendations (4<sup>th</sup> Edition)

An independent director is a non-executive director (ie is not a member of management) and:

- is not, or has not been, employed in an executive capacity by the Company or any of its subsidiaries and there has not been a period of at least three years between ceasing such employment and serving on the board;
- is not, or has not within the last three years been, a partner, director, consultant or senior employee of a provider of material professional services to the Company or any of its subsidiaries;
- is not, or has not been within the last three years, in a material business relationship (eg as a supplier, consultant, professional adviser or customer) with the Company or any of its subsidiaries, or an officer of, or otherwise associated with, someone with such a relationship;
- is not a substantial security holder of the Company or an officer of, or otherwise associated with, a substantial security holder of the Company;
- does not have a material contractual relationship with the Company or its subsidiaries other than as a director;
- does not have close personal or family ties with any person who falls within any of the categories described above; or
- has not been a director of the Company for such a period that his or her independence may have been compromised.

## APPENDIX 2

### Statement of Necessary Competencies

The Board looks to maintain its Board composition with members who as a group have expertise in areas of current and future importance to the Company as it grows. These include:

- Finance in both Australian and international markets.
- Financial and other risk management controls.
- Experience in growing organisations as a CEO or senior manager in international biotechnology companies.
- Legal, including intellectual property law.
- Experience in entering into and managing strategic alliances and other like science based arrangements.

The Board recognises that it may not be possible to obtain people with all these skills at any one time on the Board as a whole.