

The Role of the Board

1. The Board is collectively responsible for the success of the Company. Its role is to:
 - 1.1 provide entrepreneurial leadership of the Company within a framework of prudent and effective controls which enables risk to be assessed and managed;
 - 1.2 set the Company's strategic aims, ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
 - 1.3 review management performance; and
 - 1.4 set the Company's values and standards and ensure that its obligations to its shareholders (including reporting to shareholders on the Board's stewardship) and others are understood and met.
 - 1.5 specific responsibilities reserved to the Board (subject to the fiduciary duties of the Charter International Company Directors) include:
 - 1.6 setting the strategy of the Company and its businesses and, within that framework, adopting a budget, covering two years, and medium-term projections;
 - 1.7 reviewing regularly operational performance and updated forecasts for the current year;
 - 1.8 retaining primary responsibility for acquisition and divestment policy and the approval of major capital expenditure, major contracts, financing arrangements and the operating policies and procedures for the control of treasury activities;
 - 1.9 reviewing at least annually the pension fund arrangements and insurance and risk management programmes of the Charter International Companies;
 - 1.10 reviewing at least annually the environmental, health and safety performance of the Company's businesses;
 - 1.11 reviewing annually the processes in place for monitoring and evaluating risk and the effectiveness of the system of internal control and risk management of the Charter International Companies;
 - 1.12 approving appointments of Directors to the Board and the appointment and termination of the Company Secretary;

- 1.13 reviewing at least annually management development and succession plans for the Company's executives;
- 1.14 ensuring that a satisfactory and active dialogue is maintained with the Company's institutional shareholders; and
- 1.15 approving any matter relating to the capital structure of the Company and the Company's dividend policy.