Board Charter

Kyron Capital Group (ASX: KYN) comprising Kyron Capital Limited (ABN 33 169 308 187) and Kyron Group RE Limited (ABN 70 688 908 876, Australian Financial Services Licence Number 700092) as Responsible Entity of Kyron Investment Fund (ARSN 169 450 926) (together the "Group")

1 Role of the Board

1.1 This Board Charter sets out the principles for the operation of the Board of Directors of the Group and describes the functions of the Board and those functions delegated to management of the Group.

1.2 The Board is accountable to securityholders for the performance of the Group. The Board must at all times act honestly, fairly and diligently in all respects in accordance with the laws applicable to the Group and must act in the best interests of the securityholders of the Group and other stakeholders.

1.3 This Board Charter and the charters adopted by the Board for the Committees established by the Board have been prepared and adopted on the basis that corporate governance and good governance procedures can add to the performance of the Group and the creation of securityholder value.

2 Responsibilities of the Board

The Board is responsible for the management of the affairs of the Group, including:

2.1 Strategic and financial performance

a. Developing and approving the corporate strategy and monitoring implementation of strategy.

b. Evaluating, approving and monitoring the strategic and financial plans of the Group.

c. Evaluating, approving and monitoring the annual budgets (including financial and other reporting) and business plans.

d. Evaluating, approving and monitoring the progress of major capital expenditure, capital management and all major corporate transactions, including the issue of securities of the Group.

e. Appointing the Chairperson of the Group and managing succession planning for the Chair and the non-executive directors.

2.2 Executive management

a. Appointing, monitoring, managing the performance of, and managing the cessation of employment of the Chief Executive Officer and Senior Executives. The Board will consider the Chief Executive Officer's and Senior Executives' authorities and accountabilities, as well as objectives and performance indicators to provide monitoring benchmarks.

b. Managing succession planning for the positions of Chief Executive Officer and such other key management positions which may be identified from time to time.

c. Liaising with the Chief Executive Officer in relation to the appointment and termination of such key management positions which may be identified from time to time.

d. Ensuring appropriate resources are available to the Chief Executive Officer and Senior Executives.

2.3 Audit and risk management

a. Reviewing, ratifying and monitoring the Group's risk and audit framework (for both financial and non-financial risks), including but not limited to systems of risk management and internal control, and setting the risk appetite within which the Board expects management to operate. Reviewing, ratifying and monitoring compliance with the Group's risk and audit policies and protocols, particularly with regard to material Group business risks.

b. Reviewing, ratifying and monitoring the Group's operations in relation to, and compliance with relevant regulatory and legal requirements.

c. Approving the Group's insurance program.

d. The Board will, before it approves the Group's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the Group have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

2.4 Strategic planning

a. The Board will be actively and regularly involved in strategic planning and reviewing and considering strategic planning issues.

b. Strategic planning will be based on the identification of opportunities and the full range of business risks that will determine which of those opportunities are most worth pursuing.

c. The Board will, on an ongoing basis, review with management how the strategic environment is changing, what key business risks and opportunities are appearing, how they are being managed and what, if any, modifications in strategic direction should be adopted.

2.5 Corporate governance

a. The Board must review and approve all disclosures related to any departures from the ASX Corporate Governance Principles and Recommendations.

b. The Board must review and approve the disclosure of any of the Group's policies and procedures to the general public.

c. The Board will approve and oversee the effective operation of the Continuous Disclosure Policy in compliance with the Group's disclosure obligations.

d. The Board will establish and monitor performance and reporting of Committees of the Board.

e. The Board will approve the appointment of Directors to Committees established by the Board.

f. The Board will approve and monitor delegations of authority from the Board.

2.6 Responsible Entity and Registered Scheme Obligations

a. The Board oversees and ensures that the Responsible Entity operates the scheme and performs its functions in accordance with Corporations Act 2001

b. The Board will maintain formal oversight of the scheme's Compliance Plan and will receive and consider the annual audit of compliance with the plan together with management's responses and remedial actions.

3 Structure of the Board

3.1 Overview

a. The Board determines the size and composition of the Board subject to the Constitution of the Group and the Corporations Act, which should be not less than three directors. A majority of the Board should be independent non-executive directors, unless the Board considers an alternative composition to be appropriate.

b. The Directors appoint the Chairperson of the Board who must be one of the non-executive Directors who is independent. Should the Chief Executive Officer be a Director, they are to be an executive Director.

c. The number of Directors necessary to constitute a quorum, subject to the terms of the Constitution of the Group, unless otherwise determined, is two.

3.2 Board skills matrix

It is intended that the Board should comprise a mix of Directors with a broad range of skills, expertise and experience from a diverse range of backgrounds selected on the basis of relevant experience, skill, judgement and leadership abilities to contribute to the effective direction of the Group.

3.3 Directors

Each Director is bound by all the Group charters, policies and codes of conduct, including the:

- Code of Conduct;
- Securities Trading Policy; and
- Continuous Disclosure Policy.

The Directors of the Group shall:

a. conduct their duties at a high level of honesty and integrity;

b. observe the law and comply with applicable standards;

c. maintain the confidentiality of all information acquired in the course of conducting the role and not make improper use of, or disclose to third parties, any confidential information unless that disclosure has been authorised by the Board, or is required by law or by the ASX Listing Rules;

d. observe the principles of independence, accuracy and integrity in dealings with the Board, Board Committees, internal and external auditors and senior management within the Group;

e. disclose to the Board any actual or perceived conflicts of interest for the Director or their close associates and controlled entities and trusts, whether of a direct or indirect nature, which the Director becomes aware of and which the Director reasonably believes may compromise the reputation or performance of the Group; and

f. set a standard of honesty, fairness, integrity, diligence and competency in respect of the position of Director.

4 Statement of the division of authority between the Chairperson and Chief Executive Officer

4.1 Objective

The Group recognises that it is important that the Chairperson and the Chief Executive Officer have defined the roles in the organisation and function in accordance with clear functional lines.

4.2 Role of the Group Chairperson

The Chairperson, as appointed from time to time, will be selected on the basis of relevant experience, skill, judgement and leadership abilities to contribute to the effective direction of the Group.

4.3 Specific duties of the Chairperson

The Chairperson will:

a. chair Board meetings;

b. establish the agenda for Board meetings, in consultation with the Chief Executive Officer and Company Secretary;

c. chair meetings of members, including the annual general meeting of the Group;

d. be the primary channel of communication and point of contact between the Board (and the Directors) and the Chief Executive Officer;

e. provide guidance to the Chief Executive Officer;

f. chair the Chief Executive Officer evaluation process by the Board; and

g. be an independent non-executive Director.

4.4 Role and responsibilities of the Chief Executive Officer

The Chief Executive Officer has primary responsibility to the Board for the affairs of the Group. The Chief Executive Officer will:

a. develop with the Board, implement and monitor the strategic and financial plans for the Group, its policies, the annual budgets and business plans, major capital expenditure, capital management and all major corporate transactions, including the issue of any securities of the Group;

b. manage the appointment of senior executive positions;

c. develop, implement and monitor the Group's risk and audit management framework;

d. consult with the Chairperson and the Company Secretary in relation to establishing the agenda for Board meetings as well as all matters of significance where it is appropriate to do so;

e. in consultation with the Company Secretary consider and approve all disclosures of information to the ASX (in accordance with the Continuous Disclosure Policy of the Group;

f. be the primary channel of communication and point of contact between the executive management and the Board;

g. keep the Chairperson fully informed of all material matters which may be relevant to the Board, in their capacity as Directors of the Group;

h. provide strong leadership to, and effective management of, the Group;

i. ensure that the Group has regard to the interests of employees and customers of the Group and the community and environment in which the Group operates; and

j. otherwise carry out the day to day management of the Group.

5 Delegation to CEO and management

5.1 The Board has delegated to the Chief Executive Officer the authority to manage the day to day affairs of the Group and the authority to control the affairs of the Group in relation to all matters other than those responsibilities reserved to itself in this Charter or as set out in the Board Instrument of Delegations.

5.2 The Board may impose further specific limits on Chief Executive Officer delegations. These delegations of authority will be maintained by the Company Secretary and reviewed by the Board as appropriate from time to time.

5.3 The Chief Executive Officer has authority to sub-delegate to the senior management team.

6 Roles and responsibilities of the Company Secretary

6.1 The Company Secretary will:

a. advise the Board and its committees on governance matters;

b. monitor that Board and committee policy and procedures are followed

c. co-ordinate the timely completion and despatch of Board and committee papers;

d. ensure that the business at Board and committee meetings is accurately captured in the minutes; and

e. help to organise and facilate the induction and professional development of Directors.

6.2 Each Director may communicate directly with the Company Secretary and vice versa.

6.3 A decision to appoint or remove the Company Secretary should be made or approved by the Board. The appointment of the Company Secretary will be by formal resolution, rather than simple approval, by the Board.

7 Roles and responsibilities of management

Management will:

a. implement the strategic objectives and operate within the risk appetite set by the Board and for all other aspects of the day-to-day running of the Group; and

b. provide the Board with accurate, timely and clear information to enable the Board to perform its responsibilities.

8 Confidential Information

8.1 The Board has established the following principles to apply in respect of information of the Group:

a. the Board or it's delegate will approve the nature of any information to be disclosed to any third party and the manner in which such information can be disclosed; and

b. all Directors, including any Directors nominated by a securityholder, are required to keep all information provided to them in their capacity as a Director confidential, subject to any information sharing protocols approved by the Board.

9 Conflicts of interest

9.1 The Directors of the Group are required to act in a manner which is consistent with the best interests of the Group as a whole free of conflicts of interest.

9.2 If a Director considers that they might be in a position where there is a reasonable possibility of conflict between their personal or business interests, the interests of any associated person, or their duties to any other group, on the one hand, and the interests of the Group or their duties to the Group, on the other hand, the Board requires that the Director:

a. fully and frankly informs the Board about the circumstances giving rise to the actual or potential conflict; and

b. if such conflict is a material personal interest, discloses the interest in accordance with the requirements of the Corporations Act and abstains from voting on any motion relating to the matter and absenting themselves from all Board deliberations relating to the matter including receipt of Board papers bearing on the matter, unless the unconflicted directors decide otherwise in accordance with the requirements of the Corporations Act.

9.3 If a Director believes that they may have a conflict of interest or duty in relation to a particular matter, the Director should immediately consult with the Chairperson.

9.4 Directors are expected to inform the Chairperson of any proposed appointment to the Board or executive of another company as soon as practicable.

10 Meetings

10.1 Overview

The Board will ordinarily meet at least six times a year or as otherwise determined from time to time.

The Chairperson in conjunction with the Chief Executive Officer should ensure the availability and, if necessary, the attendance at the relevant meeting, of any member of executive management responsible for a matter included as an agenda item at the relevant meeting.

10.2 Agenda

An agenda will be prepared for each Board and Committee meeting. The agenda will be prepared by the Company Secretary in consultation with the Chairperson and the Chief Executive Officer.

The following items will be standing items on the agenda unless otherwise determined by the Chairperson:

a. approval of minutes of previous meeting;

b. report by the Chief Executive Officer;

c. report of the Company Secretary on continuous disclosure and regulatory compliance;

d. review of the register of interests disclosed by the Directors; and

e. report of the Workplace Health and Safety Committee.

11 Circular Resolutions

11.1 Subject to 11.2 and 11.3, the Board may make resolutions within their authority by circulating resolutions if deemed appropriate to do so. In accordance with the Group's Constitution, the resolution is passed when a majority of Directors for the time being entitled to attend and vote at Director's meetings sign the resolution.

11.2 Circular resolutions are intended to be used for matters that are administrative or non-controversial in nature and do not require deliberation between the directors, or where the directors have already had an adequate opportunity to deliberate on the matter.

11.3 Each director must be given a reasonable opportunity to consider the proposed resolution and all information reasonably necessary to make an informed decision. Before the resolution is passed, any director may, acting reasonably, object to the matter being determined by circular resolution. If an objection is made, the circular resolution must be withdrawn and will not be effective or binding, and the matter must instead be considered and determined at a meeting of the Board.

12 Board committees

12.1 In order to fulfil its duties, the Board may from time to time establish Committees of Directors, or delegate a matter to a sole Director and/or such other persons as they think fit and may revoke that delegation accordingly from time to time.

12.2 The Board will consider and approve the charters of the Committees it establishes from time to time. These charters will identify the areas in which the Board will be assisted by each respective Committee.

12.3 The Board maintains the following standing committees: the Audit and Risk Committee (the "ARC"), the Remuneration and Nomination Committee (the "RNC"), and the Sustainability Committee (together, the "Board Committees"), each operating under a Board-approved charter.

12.4 Through the ARC, the Board oversees the Group's financial reporting and audit obligations, including annual and half-year financial reporting, auditor independence and the CEO/CFO financial declarations; the ARC coordinates with management and the external auditor to ensure timely and accurate reporting.

12.5 Through the RNC, the Board oversees preparation of the remuneration report required for listed companies and related remuneration governance and disclosure.

12.6 Delegation to a Board Committee does not limit the responsibilities and accountability of the Responsible Entity under the Corporations Act, including for the operation of the registered scheme.

12.7 The Board, with coordination by the ARC and support from the Sustainability Committee, oversees sustainability and climate-related financial reporting, including the preparation of any sustainability report and the audit of that report.

12.8 The ARC will coordinate assurance planning for sustainability reporting and related controls and management will maintain an implementation timetable and controls matrix, with regular reporting to the ARC and the Board.

13 Independent advice

13.1 Subject to Board approval, a Director of the Group is entitled to seek independent professional advice at the Group's expense on any matter connected with the discharge of their responsibilities. Any advice received shall be circulated to the Board of Directors unless the matter concerns a conflict of duty or interest or to do so would waive legal professional privilege.

14 Remuneration

14.1 The level of non-executive Director remuneration will be set by the Board on the recommendations of the RNC and is subject to any ASX Listing Rules or Corporations Act requirements.

15 Performance review

15.1 The Board undertakes ongoing self assessment and review of the performance of the Board, Committees and individual Directors annually. This is to ensure that the Board and their Committees are operating effectively.

15.2 Performance evaluations of senior executives are undertaken annually by the Chief Executive Officer. The Chief Executive Officer's performance evaluation is also undertaken annually by the Board.

16 Induction and continuing professional development

16.1 The Group has induction procedures in place to allow new Directors to gain an understanding of the Group (including its culture and values) and their rights, duties and responsibilities, the roles and responsibilities of senior executives, the role of Board Committees, and meeting arrangements and Director interaction.

16.2 The Group will provide appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as a Director effectively.

17 Nomination and election

17.1 In considering any selection, appointment or re-appointment to the Board, the Board will consider the necessary and desirable competencies of any Directors or proposed Directors.

17.2 The Board will ensure that the Group undertakes appropriate checks before appointing a person, or putting forward to securityholders a candidate for election or re-election, as a Director. The Board will ensure that the Group provides securityholders all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.

18 Continuous Disclosure

18.1 The Board has adopted a policy related to ultimate oversight of the Group's compliance with the continuous disclosure obligations regime of the Group under the ASX Listing Rules. The Company Secretary will oversee the implementation of that policy and the Board will consider continuous disclosure as a standing item at Board meetings.

18.2 The Company Secretary will coordinate prompt market announcements and liaison with ASX; urgent announcements may be made under delegated authority by the Chair, CEO or Company Secretary and communicated to the Board.

19 Communication of Information

19.1 The Board will:

a. communicate effectively with securityholders;

b. give securityholders ready access to relevant and timely information about the Group; and

c. make it feasible for securityholders to participate in general meetings.

20 Code of Conduct

20.1 The Board has adopted a Code of Conduct for Directors, Senior Executives and employees. The aim of the Code of Conduct is to ensure a high standard of business conduct.

21 Independence

21.1 When determining whether a director will be considered an independent director, the Board should consider if the director:

a. is a substantial securityholder of the Group, being a securityholder who holds 5% or more of the issued voting securities of the Group, or an officer of or otherwise associated directly with a substantial securityholder of the Group;

b. is employed or has previously been employed as an executive of the Group and there has not been a period of at least three years between ceasing such employment and serving on the Board;

c. has within the last three years been a principal of a material professional adviser or consultant to the Group;

d. is a material supplier, customer or other contractor of the Group or has a material contractual relationship with the Group other than as a director; and

e. should otherwise be considered by the Board to not be independent.

22 Annual review

22.1 The Board will review this charter at least annually and approve any amendments to it.