



Domino's Pizza Enterprises Limited
1/485 Kingsford Smith Drive
Brisbane, QLD, Australia 4007
ACN: 010 489 326
www.dominos.com.au

Domino's Pizza Enterprises Limited Board Charter

Effective 17 December 2021

1 Introduction

The Board has adopted this Charter as a guiding framework for the corporate governance of the Company. All directors, individually and as a Board, are required to agree, upon appointment, to act in accordance with this Charter.

2 Roles and Responsibility of the Board

2.1 Board's role

The Board's role is to:

- (a) provide overall strategic guidance and effective oversight of the Company's strategic, financial and operational affairs;
- (b) act in the best interests of shareholders as a whole by driving the performance of the Company and building sustainable value for shareholders;
- (c) ensure that shareholders are kept informed of the Company's performance and any material events affecting the Company's strategic, financial or operational affairs; and
- (d) ensure the effective corporate governance of the Company by setting and reviewing the Company's compliance with its governance framework and constitution.

2.2 Key responsibilities of the Board

The key responsibilities of the Board include:

- (a) being responsible for the overall governance of the Company and providing effective oversight of the Company's management;
- (b) demonstrating leadership and adhering to the Company's values and code of conduct to reflect the desired culture of the Company;
- (c) contributing to, approving and overseeing management's implementation of the strategic direction of the Company, its business plans and significant corporate initiatives;
- (d) contributing to and approving the Company's annual targets, financial budgets, financial statements and monitoring the Company's financial performance against budgets, forecasts and prior periods;
- (e) considering and approving the Company's risk appetite statement and overall risk management framework for managing financial and non-financial risk, including satisfying itself that appropriate reporting and internal control mechanisms are in place to facilitate effective risk management and for relevant information to be reported by management to the Board;

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- (f) selecting, appointing and evaluating from time to time the performance of, determining the remuneration of, and planning succession of, the Managing Director and/or the Chief Executive Officer;
 - (g) determining the Company's dividend policy and the amount, nature or timing of dividends to be determined or declared;
 - (h) reviewing and monitoring the risk culture within the Company and overseeing the identification of, and steps taken to address, any desirable changes to risk culture;
 - (i) receiving recommendations from the Nomination and Remuneration Committee in relation to remuneration levels (including long term and short term incentive targets and awards) and adjustments (including forfeiture and clawback) to variable remuneration for key management personnel executives and satisfying itself that the Company's remuneration policies are aligned with the Company's values, risk appetite and shareholder interests;
 - (j) approving major capital expenditure, acquisitions and divestments and monitoring capital management;
 - (k) as and when required, challenging management and holding it to account;
 - (l) developing, reviewing and approving the Company's corporate governance principles and policies; and
 - (m) performing such other functions as are prescribed by law or are assigned to the Board.

3 Composition of the Board

3.1 Board composition

- (a) The Board is appointed by the shareholders.
- (b) Non-executive directors are engaged through a letter of appointment.
- (c) Under the Company's Constitution, the Board comprises a minimum of 3 and a maximum of 10 directors. As far as practicable, the Board should:
 - (i) comprise people who bring robust and independent judgment to the Board;
 - (ii) comprise diverse people with a broad range of experience, expertise, skills and contacts relevant to the Company and its business at the relevant point in time; and
 - (iii) include an independent Chairman.
- (d) The Board, together with the Nomination and Remuneration Committee, will approve a Board skills matrix setting out the mix of skills, experience and expertise that the Board currently has and is looking to achieve in its membership. The Board will regularly review this matrix to ensure that it covers the skills needed to address existing and emerging business and governance issues relevant to the Company.

3.2 Chairman of the Board

- (a) The Board will appoint 1 of its members to be Chairman.
- (b) The role of the Chairman must be occupied by a separate individual from the Managing Director and it is preferred that an 'independent' director be Chairman. Whether these criteria are met in the case of the Chairman will be assessed annually by the Board and disclosed in the annual report.
- (c) The Chairman is responsible for ensuring that the Board functions effectively, and for communicating the views of the Board to shareholders and management. In performing this role, the Chairman's responsibilities include:
 - (i) providing leadership to the Board by presiding as Chairman at all meetings of the Board and displaying a strong commitment to good corporate governance practices;
 - (ii) planning, and setting the agenda, for meetings of the Board in consultation with the Managing Director/CEO and other members of the Board;
 - (iii) facilitating the effective contribution of directors and promoting constructive and respectful relations between directors;
 - (iv) ensuring, as far as possible, that the Board has full information on which to base its decisions on the business of the meeting;
 - (v) building a strong working relationship within the Board and between the Board and the Managing Director/CEO;
 - (vi) with the Managing Director/CEO, representing the views of the Board outside the boardroom, provided that both the Managing Director/CEO and the Chairman are the delegates of the Board for this purpose and do not, except in emergency, have the authority to represent positions or views that have not previously been approved by the Board.
- (d) The Chairman will nominate a suitable independent director to replace them and be responsible for fulfilling the role of the Chairman where the Chairman is conflicted or, in certain circumstances, unavailable.
- (e) The Chair of the Audit and Risk Committee will be responsible for considering and, if appropriate, granting the Chairman the right to deal with Company securities during a Closed Period as set out in the Company's Securities Dealing Policy.

3.3 Company secretary

The Board will appoint at least 1 Company Secretary. The Company Secretary is accountable to the Board for:

- (a) monitoring the Company's compliance in respect of all corporate governance matters, including the implementation of this Charter and disclosure obligations; and
- (b) coordination of all Board business including, drafting and circulating agendas, board papers, the minutes of meetings of the Board and all Committees, communication with regulatory bodies (including ASIC and ASX) and all statutory and other filings.

4 Independence and conflicts of interest

4.1 Independence

- (a) The Board considers directors to be independent where they are independent of management and free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual shareholder or other party.
- (b) Although the Board is cognisant of the need to monitor the effect of tenure on a director's actual or perceived independence, the Board does not believe it should establish an arbitrary limit on tenure. Directors who over a period of time have been able to develop a greater understanding of the Company's business and accumulate industry knowledge are considered a significant asset of the Board. Accordingly, tenure is just one of the many factors considered by the Board in assessing a director's independence.
- (c) The Board, will assess annually the 'independence' of each Director in light of the principles above and in ASX Governance Principles and Recommendations, and will disclose the results in the annual report as required by ASX Governance Principles and Recommendations.

4.2 Conflicts of interest

Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company. Directors are required to take all reasonable steps to avoid actual, potential or perceived conflicts of interest.

5 Delegation of duties and powers

5.1 Role of management and relationship with the Board

(a) Role of management

Management is responsible for the day to day operations of the Company under the supervision of the Managing Director and/or Chief Executive Officer (**CEO**) (and by other officers to whom the management function is properly delegated by the Managing Director and/or CEO).

Management is also responsible for implementing strategic objectives, plans and budgets approved by the Board.

(b) Board's relationship with management

- (i) The Board may delegate its powers as it determines appropriate to management. However, ultimate responsibility for the strategy and control of the Company lies with the Board.
- (ii) Management must provide the Board with all information required to assist the Board in making fully informed decisions that will enable the Board to discharge its duties effectively and the Board may request additional information from management at any time.

5.2 Reserved authorities

The authorities which are expressly reserved to the Board and/or its Committees are set out in the Schedule.

5.3 Delegation to Committees

The Board may from time to time establish committees to efficiently and effectively discharge its responsibilities.

Standing committees established by the Board will adopt formal charters setting out the matters relevant to composition, responsibilities and administration of the committee. The permanent standing committees of the Board are the:

- (a) Audit and Risk Committee; and
- (b) Nomination and Remuneration Committee.

The Board may also delegate specific functions to ad hoc committees on an 'as needs' basis to consider other matters of special importance. The establishment of these committees will be set out in the relevant Board resolutions.

The Board must ensure that there are procedures in place to enable it to monitor the exercise of delegations and reporting back to the Board.

6 Board meetings and proceedings

6.1 Full Board

The Board will meet as often as they consider necessary in order to carry out their duties and responsibilities and as required by the business of the Company. The Board should meet at least 9 times a year at appropriate intervals. The Company's constitution governs the regulation of Board meetings and proceedings.

6.2 Meetings of non-executive Directors

Non-executive directors will meet periodically without executive directors or management present.

6.3 Invitations

The Board may request or invite management or external consultants to attend all or part of a Board meeting, where appropriate.

6.4 Board papers and minutes

- (a) Papers for Board and Committee meetings should be circulated a reasonable time in advance of the Board meeting.
- (b) Minutes of each Board and Committee meetings (for consideration and approval at the next relevant meeting) will be prepared recording the business of the meeting.

6.5 Confidentiality

All proceedings of the Board including papers submitted and presentations made to the Board must be kept confidential and not disclosed or released to any person other than Board members except as required by law or as agreed by the Board.

7 Independent Professional Advice

All directors have a right to seek independent professional advice, at the Company's expense, on matters relating to their duties and responsibilities as a director of the Company.

Schedule – Reserved powers

Matters which are specifically reserved for the Board or its Committees include the following:

1 **Directors, Board Committees and Senior executives**

The Board reserves responsibility for the:

- (a) appointment of directors to fill a casual vacancy;
- (b) establishment of Board committees, their membership and delegated authorities; and
- (c) appointment and replacement of the Company's Managing Director/CEO, Chairman, Company Secretary and other senior executives (including those listed as key management personnel).

2 **Approval of Company strategy**

The Board is responsible to ensure that the Company is pursuing appropriate strategies for the future security and growth of the Company. It does so by delegating certain responsibilities to the Managing Director/CEO for the development of strategy, but expressly reverses the following responsibilities:

- (a) agreeing with the CEO the annual cycle and process for review of strategic plans, including which stakeholders are to be involved and how;
- (b) ensuring that the whole Board is directly involved in the strategic planning and review processes;
- (c) ensuring that strategy development includes proper consideration by the Board and management of associated risks and opportunities;
- (d) ensuring that all approved strategic plans include clear and measurable financial and other objectives;
- (e) requiring that business plans and budgets are prepared (and provided for information to the Board) to support the agreed strategic plans; and
- (f) monitoring and reviewing the performance of the Company against the agreed strategic plans and goals.

3 **Development of key Company policy**

The Board expressly reserves responsibility for developing and monitoring the effectiveness of the Company's key governance policies including, in relation to diversity and inclusion, setting measurable objectives to achieve gender and other diversity in the Company at all levels.

The Board may delegate responsible for the development of operational policies to the Managing Director and may devise policies dealing with the delegation of authorities to the CEO for development of operational policy and any limitations or requirements in respect of operational policy.

4 **Nomination and Remuneration practices**

The Board reserves the responsibility for approving the nomination and remuneration of executives within the Company.

The Board has a general discretion to alter the treatment of awards (including the forfeiture and/or clawback of awards) made under the Company's incentive plans to ensure there is appropriate alignment between executive pay outcomes and the performance of the Company.

The Board will consider whether to exercise its general discretion at the end of each year when incentive outcomes are determined.

7.2 **Monitoring management and operations**

The Board reserves responsibility for:

- (a) approving the Company's strategies, values, operating budgets, acquisitions, divestments and major capital expenditure in excess of authority levels delegated to management;
- (b) approving full year and half year financial statements, the accounting policies on which the statements are based and the director's report (including the remuneration report); and
- (c) the development of appropriate internal controls to monitor and supervise the implementation of agreed strategies and policies and the financial and other performance of the Company against approved strategies, budgets, and delegations.

5 **Risk management, compliance and workplace, health and safety**

The Board reserves the responsibility for:

- (d) overseeing internal and external audits, including the appointment and rotation of the external audit partner;
- (e) overseeing the annual insurance program;
- (f) monitoring the Company's workplace health and safety program; and
- (g) setting the risk appetite statement and reviewing the effectiveness of the Company's risk management framework.

6 **Other matters**

The Board reserves responsibility for:

- (a) **litigation** - approving the initiation, defence or settlement of significant litigation involving the Company;
- (b) **shareholder meetings** - calling shareholder meetings;
- (c) **dividends and distributions** - approval of dividends and distributions to be determined or declared;
- (d) **culture** – fostering high ethical standards and a culture of compliance and accountability; and
- (e) **other** – any other specific matters nominated by the Board from time to time.