

Board Charter

Document Location

AP+ Intranet

Document History

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V4	8 May 2025	General Counsel and Company Secretary	Amendments to account for new mandatory climate-related financial disclosure obligations to apply to AP+ from 1 July 2026.
V5	27 November 2025	General Counsel and Company Secretary	Amendments to account for the new Board Competition and Conflicts Guidance, Constitutional Changes, and PFMI related changes.

Approval and Distribution

The following table lists the Reviewers (R), the Approver (A) and the Distribution (D) of this document.

Name	Position	R/A/D	Signature	Date
Nancy Bryla	General Counsel	R		7 November 2025
Board	Board	A		27 November 2025

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1 PURPOSE OF CHARTER

This Board Charter (**Charter**) sets out the role, functions, structure and processes of the Board of Australian Payments Plus Limited (**AP+**). This Charter applies equally to all boards of subsidiaries within the AP+ Group. It is to be read in conjunction with the Constitution of AP+ which will prevail in the event, and to the extent, of any inconsistency with this Charter.

The Board has adopted this Charter and those of its standing Committees to establish strong corporate governance practices, recognising the role that governance plays in the performance of the Company and shareholder, member and public confidence in AP+.

2 OBJECTIVE OF AP+

The objective of AP+ under its Constitution is to provide globally competitive payment services which are resilient, safe, efficient, fair, accessible and cost effective. These services should meet the present and future requirements of the users of the Australian payments system, including financial institutions and payment services providers while facilitating the provision of low-cost solutions for retailers, other businesses and their customers.

3 ROLE OF THE BOARD

3.1 The role of the Board is:

- (a) to represent its shareholders and to promote and protect the interests of AP+. It does so by governing AP+ and each of its subsidiaries (collectively, the **AP+ Group or Group**) having regard to:
 - i. the interests of the Group's direct and indirect participants and, where appropriate, other relevant public interest considerations, and the interests of other relevant stakeholders;
 - ii. the safety and efficiency of AP+ systems, where designated as a financial market infrastructure under the relevant regulations, which includes supporting, insofar as possible, the stability and sustainability of the broader financial systems; and
 - iii. where appropriate, the objectives of relevant stakeholders.
- (b) to conduct and manage the business of AP+ as contemplated by the AP+ Constitution, this Charter, associated AP+ Group policies, and the legal and regulatory landscape in which AP+ operates.

3.2 The key responsibilities of the Board are as follows:

- define the purpose, strategic objectives, and risk appetite of the AP+ Group;
- lead the behaviour and values expected to achieve the strategic objectives of AP+ Group;
- oversee the management, performance and governance frameworks of the AP+ Group;
- issue and redeem preference shares to shareholders in accordance with the AP+ Constitution;
- appoint the Chief Executive Officer (**CEO**), determine the goals of the CEO, and undertake performance evaluation against those goals;
- receive and understand information regarding the issues and concerns of shareholders and other stakeholders, including communications about major decisions affecting those stakeholders; and
- consider the environmental and social impact of the AP+ Group activities, including the preparation of any climate-related disclosures required under the *Corporations Act 2001 (Cth)* and applicable accounting and reporting standards.

4 DELEGATIONS

- 4.1 The Board may delegate to the CEO who is responsible for the day-to-day conduct of the business of the Company subject to the directions and specified delegations of authority approved by the Board.
- 4.2 The Board may delegate any powers to a Committee or Committees consisting of one or more directors as they think fit.
- 4.3 In addition to the matters listed above and those that are specified in the AP+ Constitution or by law or regulation, the Board has reserved the following matters as set out in Annexure A and those otherwise delegated to the CEO and management under the delegation of authority.

5 BOARD COMPOSITION

- 5.1 The qualifications for AP+ Directors are: unquestioned honesty and integrity; time available to undertake the responsibilities; an ability to apply strategic thought to matters in issue; a preparedness to question, challenge and critique; and a willingness to understand and commit to the highest standards of governance of the Company.
- 5.2 The AP+ Constitution establishes the right of shareholders to elect 4 Independent Directors and 9 Representative (also known as 'nominee') Directors. The Chair must be an Independent Director. The Independent Directors will be elected by a Shareholder resolution. The nominee Directors are to be nominated and elected in accordance with the Banding Rules under the Constitution and the Talent and Reward Committee Charter.
- 5.3 The 9 nominee Directors will be nominated as follows:
 - (a) 4 Directors nominated by shareholders who each hold greater than 15% of the total number of AP+ shares;
 - (b) 2 Directors nominated by shareholders who are ADI's and who hold 15% or less of AP+'s shares; and
 - (c) 3 Directors nominated by shareholders who are not ADI's and who hold 15% or less of AP+'s shares.
- 5.4 The following guidance applies to the selection of directors/director-candidates from time to time and the extent of their commitment to the role.
 - (a) **Commitment of Directors** – The Board of AP+ will be required to make long-term strategic decisions for the Company and ensure that input and strategic guidance is provided which is commensurate with the significant organisational and industry-wide investment in AP+. Where the nominating shareholder is also the employee of a nominee Director or a scheme participant it will be assumed that this decision-making lens is understood and accepted within each shareholder organisation.
 - (b) **Skills and Competencies of Directors** – The Board is responsible for strategic oversight of AP+ to achieve optimal performance and business outcomes. It is expected that all Directors will be of sufficient standing to meet these responsibilities.

A Talent and Reward Committee (established and operated in accordance with a separate charter) will oversee the nominations process for nominee Directors.

In addition, for the Directors, it is expected that they will each be accomplished leaders with notable executive achievement and reputation per the criteria below:

Skills

- Leadership and influencing skills and a demonstrated ability to build, maintain and manage key relationships with participants, industry, government and regulators;
- Commitment to regulatory, compliance and governance disciplines in regulated environments;

- Ability to contribute positively and actively to development of an inclusive, diverse and accountable Board and operational culture; and
- Knowledge and experience relevant to AP+ and complementary to the other Directors as determined from time to time by the Talent and Reward Committee.

Personal attributes

- Integrity, personal values and skills appropriate to an industry-based and regulated Board;
- Strong strategic and commercial acumen; and
- Can develop and articulate own thoughts in a collegiate manner and receptive to the views of others and complementing the collective strengths of the Board.

Independence

- Each Independent Director must be independent in accordance with the criteria set out in the AP+ Constitution;
- Independent Directors must either: 1) not currently or within the last year, be on the board or any advisory committee of, or employed by, or a material professional adviser, material consultant or material external legal adviser to, a Shareholder or a Related Body Corporate of a Shareholder; or 2) they are not currently, and were not within the last two (2) years, employed by, or a material professional adviser, material consultant or material external legal adviser to, the Company or a Related Body Corporate of the Company. The materiality threshold will be assessed on a case-by-case basis and will consider the substance of the interest, its nature and capacity to have an impact upon the ability of the independent director to discharge his or her duty as an independent director, such as for instance, where an interest may materially interfere with their ability to bring their independent judgement; and
- An Independent Director who has served as a director of the entity for an extended period may have their independence from management and substantial holders affected. The Board should regularly assess whether that might be the case for any Independent Director who has served in that position for more than 10 years.

6 CHAIR

The Board will appoint an Independent Chair in accordance with the Constitution. The Chair represents the Board to the shareholders and communicates the Board's position.

7 COMPANY SECRETARY

- 7.1 The Company Secretary has responsibility for scheduling Board meetings (in consultation with the Chair), the preparation and distribution of all Board meeting agendas and papers, minutes, advising the Chair and the Board on matters of governance practice and procedure, communication with regulatory bodies in relation to matters of day-to-day corporate compliance, and all statutory and regulatory filings.
- 7.2 AP+ must have at least one company secretary which is appointed by the Board. The Board may appoint more than one company secretary.

8 BOARD COMMITTEES

- 8.1 The Board may establish such standing or ad-hoc Board committees as it sees fit, determine their terms of reference and establish such reporting and oversight arrangements as it deems appropriate from time to time. The Board will adopt a formal charter for each standing Committee setting out the matters relevant to the composition, responsibilities and administration of the Committee. The Board may also delegate specific functions to ad hoc Committees on an 'as needs' basis.
- 8.2 The standing committees of the Board are currently:

- (a) Audit Committee
 - (b) Risk Committee
 - (c) Talent & Reward Committee
 - (d) Independent Commercial & Compliance Committee
 - (e) Move to NPP Steering Committee
 - (f) Stakeholder Advisory Panel (including the Payment Service Provider and End-User Forums)
 - (g) Committees established under Scheme Rules 6.1(c) and 6.1(d) of the AP+ Scheme Rules.
- 8.3 The Board may appoint Directors to Board Committees on the basis of skills, expertise and workload.
- 8.4 Each Committee will be chaired by an Independent Director. All Directors who are members of the Independent Commercial & Compliance Committee must be Independent Directors.

9 BOARD MEETINGS

- 9.1 The Chair is responsible for the conduct of all Board meetings and for the approval of all agendas for, and minutes of, such meetings.
- 9.2 At each meeting, each director will have one vote, with the Chair to have a casting vote.
- 9.3 In rare circumstances, Directors may be unable to fulfil their duties and may request that an alternate be appointed who may exercise all their powers and, subject to the Corporations Act, perform the duties of the directors to the extent that the director has not already exercised or performed them. Such a request must be submitted to the Chair for approval and any such approval may only be for a defined period of time. Any alternate director proposed for approval must be of at least equivalent seniority as the appointing director. While acting as a director, alternate directors are officers of the Company, not agents of the appointing director. Alternate directors are bound by this Charter.
- 9.4 The Board will meet as frequently as required to perform its functions, but no less than six (6) times a year.

10 ACCESS TO BOARD PAPERS AND CONFIDENTIALITY

- 10.1 It is recognised that nominee Directors may require input from subject matters experts and others within their organisations from time to time to enable them to make an effective contribution at Board and Committee meetings. Nominee Directors may authorise up to three staff members ('Readers') in their organisation to have access to Board papers, subject to the following:
- (a) A request for access must be provided to the Company Secretary who will maintain a record of all such Readers (including their contact details) and arrange access.
 - (b) It is the responsibility of each Director to ensure that any Reader receiving access to Board papers is made aware of the confidentiality of board materials, and their duty to maintain confidentiality of these documents and the information contained in them.
 - (c) Access will only be granted to a Reader on receipt of a signed confidentiality undertaking.
 - (d) Licence fees for access to Diligent must be paid for by the Reader's organisation.
 - (e) Certain papers will remain excluded from being accessible by Readers ("Excluded Papers"). Excluded Papers include any papers that are legally privileged; or that may contain highly confidential information and would cause harm to AP+ if disclosed; or commercially sensitive information, which may pose competition law risks. The Chair has absolute and sole discretion on which papers should be classified as Excluded Papers.
- 10.2 Nominee Directors owe a duty of confidentiality to AP+, and when it comes to AP+'s Confidential Information this is greater than any duty they may owe to a single shareholder or group of shareholders.
- 10.3 A Director must keep all Confidential Information strictly confidential and not disclose or use any such Confidential Information except as required by law or permitted by this Charter.

11 SHAREHOLDER RATIFICATION

Any two Directors can call for a Board decision to be ratified by an extraordinary resolution (75%) of the Shareholders who are classified as participants in a Payment Service under its scheme governing rules, if a decision which has been made by the Board results in a fundamental change in:

- (a) the nature, scale or operation of that Payment Service, or a proposal to cease providing it; or
- (b) the manner of funding the operating costs of providing that Payment Service (including any requirement for particular shareholders of AP+ to fund new investment) or the manner in which funds generated by that Payment Service are utilised (including the use of funds generated by that Payment Service for investment in another payment service).

12 BOARD PERFORMANCE

The Board is to assess its performance, and the performance of its committees and individual directors annually. The assessment should be performed by an independent external review at least triennially.

13 DIRECTORS DUTIES, CONFLICTS OF INTEREST AND COMPETITION PROTOCOLS

- 13.1 Although nominee Directors have been nominated to the Board by specific shareholders, they must act in the best interests of AP+ as a whole. Nominee Directors may only act in the interests of their nominating or electing organisations if they have a bona fide belief that they are also acting in the best interests of AP+, and doing so complies with this Charter. If the interests of any Director and AP+ conflict, the Director must act preferentially in the best interests of AP+. That is, all Directors (including Alternate and nominee directors) are subject to statutory duties to act in good faith, in the best interests of the Company and for a proper purpose (section 181, Corporations Act 2001).
- 13.2 Directors are also expected to adhere to the following principles for optimal board performance:
- be both prepared for and present at all Board meetings;
 - contribute positively to quality debate and challenge;
 - support and leverage the skills and experience of each other;
 - recognise and celebrate progress and achievements;
 - provide each other with feedback; and
 - actively participate in Board performance reviews and apply recommendations to enhance Board performance.
- 13.3 The Company Secretary will maintain registers and records of declarations and notifications of conflicts made by Directors from time to time.
- 13.4 Directors shall disclose conflicts of interests at the commencement of each meeting. A director of the Board who has a material personal interest in a matter that is being considered at a meeting may be asked to be present for the discussion despite the conflict, or where appropriate, to recuse themselves while the matter is being considered at the meeting and not vote on the matter.
- 13.5 Despite clause 13.4, a director may be present and vote if the directors who do not have a material personal interest in the matter have passed a resolution that identifies the director, the nature and extent of the director's interest in the matter and its relation to the affairs of the AP+ Group, and states that those directors are satisfied that the interest should not disqualify the director from voting or being present.
- 13.6 Given the Board is comprised of nominee directors who are appointed by competing entities, this gives rise to competition law risks. To mitigate against these risks:
- a Competition Protocol, as set out in Annexure B, must be included in every Board meeting pack, and read by Directors ahead of the meeting;

- matters of a commercially sensitive nature that give rise to competition law risks are to be dealt with by the Independent Commercial and Compliance Committee where this is deemed appropriate based on the AP+ Competition and Conflicts Guidance; and
- Training on competition law will be provided to Directors on an annual basis.

13.7 The AP+ Competition and Conflicts Guidance:

- recognises that, as a starting principle, all decisions which can be considered by the Board without exposing AP+ or its Directors to unacceptable conflicts or competition risks should be considered by the Board (or a subset of the full Board where applicable); and
- sets out guidelines for assessing whether matters are appropriate for consideration by the Board (or a subset of the full Board) or require delegation to the Independent Commercial and Compliance Committee.

14 REVIEW OF CHARTER

The Board will review this Charter on a periodic basis and no less than every two (2) years or otherwise as necessary or desirable.

Annexure A

In addition to the matters listed in this Board Charter and those that are specified in the AP+ Constitution or by law or regulation, the Board has reserved the matters in the column “Board responsibility” for the Board.

The below is not an exhaustive list and is for guidance purposes only.

	Board Responsibility	CEO/Management Responsibility
Strategic Objectives	<p>Define the purpose and strategic objectives</p> <p>Approve the strategy developed by Management</p> <p>Receive updates from Management on strategy execution</p> <p>Approve the scorecard</p>	<p>Develop strategies and business plans</p> <p>Execution of strategy</p> <p>Ensure Board is kept updated on performance against strategy Development of and performance against scorecard</p>
Financial Performance and Reporting	<p>Approve annual budget and financial plans</p> <p>Approve major capital expenditure and capital raising initiatives</p> <p>Approve expenditure that exceeds the limits delegated to CEO</p> <p>Approve financial statements</p> <p>Oversee the integrity of accounting and corporate reporting systems</p> <p>Approve pricing architecture</p> <p>Approve relevant finance, accounting or tax related policies and procedures of the AP+ Group</p>	<p>Develop and manage annual budget and financial plans</p> <p>Approve expenditures within delegated limits</p> <p>Prepare financial statements</p> <p>Develop pricing architecture</p> <p>Develop fee rate cards and apply them to customers</p> <p>Develop and execute commercial strategies and plans</p> <p>Develop and execute against investment priorities</p>
Shareholders	<p>Issue and redeem preference shares to shareholders in accordance with the Constitution</p> <p>Respond to shareholder queries</p>	<p>Investigate responses to shareholder queries for the Board</p>
Risk Management	<p>Set risk appetites and approve the Risk Appetite Framework (RAF)</p> <p>Oversee risk management strategy and framework, systems and processes (including cyber and climate-related risks)</p> <p>In the event of crisis, oversee and make decisions in accordance with the AP+ Board Crisis Protocols)</p>	<p>Develop and apply risk management strategy and framework, systems and processes (including cyber and climate-related risks), in accordance with risk appetites set</p> <p>Monitor and respond to risks</p> <p>In the event of crisis, make decisions and notifications in accordance with the AP+ Board Crisis Protocols.</p>
Culture	<p>Approve Code of Conduct</p> <p>Lead and oversee the values and Management’s plans to maintain desired culture</p>	<p>Lead, and embed the values, purpose and culture within the AP+ organisation</p>

	Board Responsibility	CEO/Management Responsibility
People	<p>Assess performance of the CEO Oversee succession plans for the CEO</p> <p>Approve the AP+ Remuneration Policy and pool, and incentive frameworks</p> <p>Approve Work Health & Safety policies</p>	<p>Manage performance, resourcing, work health & safety, and capability</p> <p>Develop succession plans for Executive-level</p> <p>Apply the AP+ Remuneration Policy and pool, and incentive framework (except for Executives reserved for Board)</p>
Schemes	<p>Approve Board Reserved Matters and/or material changes to Scheme Rules</p> <p>Enforcement of compliance obligations (delegated to ICC)</p> <p>Approve membership (delegated to ICC)</p>	Manage day to day scheme operations
Governance	<p>Approve and monitor the effectiveness of the governance structure, including formation of Board Committees and the terms of applicable charters</p> <p>Approve governance frameworks, including policy and risk frameworks</p>	Develop policies and day to day practices and processes
Compliance	Oversee compliance with key regulatory requirements	Manage compliance with regulatory requirements
Environmental social and governance (ESG) Responsibility	<p>Oversee the management of climate-related risks, within the AP+ Group's overall business strategy and risk appetite</p> <p>Oversee climate-related disclosures, including the controls, policies and procedures for overseeing, managing and preparing the disclosures.</p>	<p>Monitor and respond to climate-related risks</p> <p>Prepare climate-related disclosures</p>

Annexure B

BOARD COMPETITION PROTOCOL

1 Purpose

- 1.1 Australian Payments Plus (**AP+**) is the parent company of eftpos Payments Australia Limited (**eftpos**), BPAY Pty Ltd (**BPAY**) and NPP Australia Limited (**NPPA**). eftpos, BPAY and NPPA each operate payment services, and may provide other adjacent or related products and services.
- (a) AP+ was established to allow eftpos, BPAY and NPPA to coordinate their innovations to create efficiencies for customers, businesses and consumers, and to better compete against existing and future global payment companies.
 - (b) The objects of AP+ are to provide globally competitive payment services which are resilient, safe, efficient, fair, accessible and cost effective and which meet the present and future requirements of the users of the Australian payments system, including financial institutions and payment service providers, while facilitating the provision of low cost solutions for retailers, other businesses, and their customers.
- 1.2 The operations of AP+ involve a range of scenarios in which representatives of different, and potentially competing, businesses may meet or otherwise interact (**Meeting/s**). This includes Meetings involving AP+ Directors, in particular where nominee Directors' employing entities compete with one another.
- 1.3 The purpose of this Protocol is to assist in ensuring that any Meetings are devoted to furthering the purpose and objects of AP+, and avoid any potential competition law contraventions.

2 Protocol for discussions

- 2.1 AP+ is committed to compliance with the *Competition and Consumer Act 2010* (Cth) (**CCA**), including in relation to any Meetings.
- 2.2 Without limiting clause 2.1, AP+ is determined to ensure that no discussion at any Meeting:
- (a) makes or gives effect to any contract, arrangement or understanding which contains:
 - (i) price fixing;
 - (ii) sharing or allocating markets, customers or territories;
 - (iii) bid-rigging; or
 - (iv) restricting outputs or acquisitions in the production or supply chain, or
 - (b) makes or gives effect to any contract, arrangement or understanding, or amounts to a concerted practice, that has the purpose or effect of substantially lessening competition, or gives rise to any attempt to do so, unless made subject to authorisation by the ACCC.
- 2.3 To that end, Directors:
- (a) must ensure that Meetings do not deviate from the agenda, and are accurately recorded in the minutes of the meeting approved by the chair of the Meeting;
 - (b) must not discuss their employing entities' business arrangements or commercial undertakings which are commercial-in-confidence or competitively sensitive;
 - (c) must not discuss or disclose details of their employing entities' current or proposed prices, pricing methods, cost pressures, marketing plans/strategy for goods or services (including payments services), supply or acquisition of goods or services (including payments services), plans to expand or reduce business activities or any other aspect of commercial strategy, pricing or supply, or other competitively sensitive information;
 - (d) must follow any internal delegation of pricing decisions for AP+ or its subsidiaries, which may involve shifting pricing decisions to management or the Independent Commercial and Compliance Committee;
 - (e) prioritise their directors' duties to AP+ over the interests of their employer entity; and
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(f) comply with the AP+ Competition Policy and the AP+ Competition and Conflicts Guidance.

2.4 Any Director who considers that a discussion or activity may breach this Protocol must:

- (a) bring it promptly to the attention of the chair at the Meeting or AP+; and
- (b) communicate that they do not wish to receive or act on the content of the discussion or activity;
- (c) if necessary, the Director should excuse themselves from the Meeting; and
- (d) this Protocol must be referenced at the commencement of each Meeting.

Competition Protocol Last Updated: November 2025
