

JB Hi-Fi Limited – Board Charter

1. Introduction

- 1.1 The Charter provides a summary of the role and responsibilities of the Board of Directors in the business and affairs of JB Hi-Fi Limited (the **Company**) and its controlled entities (collectively, the **Group**). It should be read in conjunction with JB Hi-Fi's Corporate Governance documents which provide a detailed framework for the governance of the Group.
- 1.2 The Board is constituted and empowered pursuant to the Constitution of the Company and the Corporations Act 2001.

2. Role and responsibilities

- 2.1 The Board oversees the business and affairs of the Group and is ultimately responsible for demonstrating leadership of the Group and the overall operation and stewardship of the Group.
- 2.2 Subject to the Board's ultimate responsibility for oversight and the matters specifically reserved to the Board by the law or under the Company's Constitution, the Board may delegate authority to perform any of its functions and exercise any of its powers to its Committees, a Director or any other person.
- 2.3 The Board does not manage the day-to-day operations of the Group. This is delegated to management through the Group Chief Executive Officer. However, the Board may provide advice and counsel to, and review the actions of, the Group Chief Executive Officer and may otherwise direct the management of the Group's businesses as the Board believes appropriate. The senior executive team is responsible for providing the Board with accurate, timely and clear information on the Group's operations to enable the Board to perform its responsibilities.

The Board's primary responsibilities, in addition to those set out above, are as follows.

2.4 Strategy

- (a) defining the Group's purpose;
- (b) setting, in consultation with management, the strategic and financial objectives of the Group and overseeing management's implementation of the Group's strategic and financial objectives; and
- (c) reviewing and, where appropriate, approving major corporate plans and actions (such as significant acquisitions and disposals).

2.5 Oversight of Financial Management, Reporting and Disclosure

- (a) overseeing the reliability, adequacy and integrity of the Group's accounting, financial management, financial reporting and disclosure practices and systems including the external audit, and receiving appropriate declarations from the CEO and CFO relating to such financial reporting;
- (b) approval of the Group's financial statements for half year and full year financial periods and, in particular, the release of the Company's full year and half year financial results and associated market announcements and disclosures;

- (c) overseeing the Group's process for making timely and balanced disclosure to the market of all material information concerning the Group that a reasonable person would expect to have a material effect on the price or value of the Company's securities, and satisfying itself that an appropriate framework exists for relevant information to be reported by management to the Board;
- (d) approval of specific market announcements containing material information that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (e) approval of the Group's Annual Report including the Governance Statement, Directors Report and Remuneration Report;
- (f) approval of the Group's annual budgets and major capital expenditure;
- (g) approval of dividends, the Company's dividend policy and other capital management initiatives, including the issue, allotment, buy-back or forfeiture of shares, options or other securities in the Company;
- (h) approval of major financing facilities; and
- (i) approving the appointment or replacement of the external auditor;

2.6 Risk Management

- (a) ensuring that the Group has in place an appropriate risk management framework for the material financial and non-financial risks affecting the Group's business (including environmental, health & safety, social, governance and cyber-security risks), which the Board must review and approve at least annually;
- (b) at least annually, review and approve the Group's Risk Registers to ensure that they describe the material risks facing the Group;
- (c) setting the risk appetite within which management is expected to operate and seeking regular assurance that management is operating within that risk appetite; and
- (d) reviewing the Group's policies on risk oversight and management and satisfying itself that a sound system of risk management and internal control has been implemented to manage the material risks affecting the Group's businesses, including compliance with all applicable laws; and
- (e) reviewing the Group's insurance arrangements to the extent required by the Audit & Risk Management Committee.

2.7 Governance

- (a) appointment of the Chair of the Board;
- (b) establishing a formal and transparent procedure for the selection and appointment of new Directors to the Board;
- (c) appointment of Directors to fill vacancies or as additional Directors and (including by reference to the Board skills matrix maintained by the Company) ensuring that an appropriate balance of skills, knowledge, experience, independence, diversity and expertise is maintained on the Board;
- (d) making recommendations to shareholders regarding the election and re-election of directors to the Board;
- (e) establishment of Board Committees, their membership and their terms of reference and receiving and having regard to reports and recommendations

from such Board Committees;

- (f) delegation of the Board's powers, as appropriate;
- (g) appointment of Directors to the board of the Company's subsidiaries;
- (h) ensuring that appropriate induction programs and continuing professional development opportunities for Directors are in place;
- (i) ensuring that internal procedures are in place for evaluating the performance of:
 - (i) the Board;
 - (ii) individual Directors; and
 - (iii) the Board Committees;and assessment of the Board's and the Board Committees' performance in accordance with those procedures;
- (j) setting the remuneration of Directors;
- (k) regularly reviewing the division of functions between the Board and Management to ensure that it continues to be appropriate to the needs of the Group;
- (l) appointment and removal of the Company Secretary;
- (m) calling of Shareholders' meetings;
- (n) approving the Group's corporate major governance policies (including this Charter) and monitoring the effectiveness of the Group's governance practices.

2.8 Management

- (a) appointment of, removal of, and planning the succession of, the Group Chief Executive Officer;
- (b) evaluating the performance of the Group Chief Executive Officer;
- (c) approving the appointment and (when necessary) the replacement of, other senior Group Executives, and ensuring that there are plans in place to manage the succession of these Group Executives;
- (d) approving the Group's remuneration framework, including any employee share plans and the grant of any incentives under such plans and satisfying itself that the Group's remuneration policies are aligned with the Group's purpose, values, strategic objectives and risk appetite;
- (e) determining the remuneration of the Group Chief Executive Officer and other Senior Group Executives, including setting, reviewing, and considering achievement against, appropriate performance targets;
- (f) monitoring the performance of management generally including oversight of management in its implementation of the Group's strategic objectives, instilling of the Group's values and the performance of the Group generally and, wherever required, challenging management, and holding it to account; and
- (g) satisfying itself that the framework for management reporting to the Board is appropriate and revising this framework where necessary.

2.9 Culture

- (a) approving the Group's statement of values, Code of Conduct, Reportable

Misconduct & Whistleblower Policy, Anti-Bribery, Corruption & Fraud Policy and any other relevant documents or policies, so as to underpin the desired culture within the Group;

- (b) ensuring that appropriate policies, procedures and training are in place so that the business of the Group is conducted in an honest, open, ethical and safe manner, and monitoring compliance with such policies and procedures, including by receiving reporting on employee surveys, discrimination and harassment claims, material breaches of the Code of Conduct, and pursuant to the Reportable Misconduct & Whistleblower Policy and the Anti-Bribery, Corruption & Fraud Policy; and
- (c) establishing measurable objectives with regard to gender diversity within the Group, and annually both assessing those objectives to ensure their suitability and reviewing progress towards achieving them.

2.10 Sustainability/Environment & Social Issues

- (a) oversight of the Group's plans, actions and reporting in relation to environmental and social risks and opportunities, including health & safety, diversity & inclusion, waste management, packaging, climate action, ethical sourcing and community investment and receiving regular reporting on the management of such risks and exploitation of such opportunities, either directly or via its sub-committees;
- (b) approving the Group's annual Sustainability Report and annual Modern Slavery Statement; and
- (c) approving the Group's key sustainability policies, including the Ethical Sourcing Policy.

3. Chair of the Board

- 3.1 The Chair of the Board is responsible for:
 - (a) providing leadership of the Board;
 - (b) facilitating the effective contribution of all Directors;
 - (c) approving agendas for Board meetings and ensuring that adequate time is available for discussion of all agenda items at Board meetings; and
 - (d) promoting constructive and respectful relations among Directors and between the Board and senior management of the Company.
- 3.2 The Chair of the Board is the official spokesperson for the Board, unless the Board determines otherwise.

4. Company Secretary

- 4.1 The Company Secretary is accountable directly to the Board, through the Chair of the Board, on all matters to do with the proper functioning of the Board.
- 4.2 The Company Secretary is responsible for:
 - (a) advising the Board and its Committees on governance matters;
 - (b) monitoring that Board Committee and policy procedures are followed;
 - (c) coordinating the timely completion and dispatch of Board and Committee

- papers;
- (d) reflecting the business at Board and Committee meetings in the minutes of those meetings (subject to the approval of such minutes by the Directors/Committee Members); and
 - (e) organising and facilitating the induction of new Directors.

5. Other Matters

- 5.1 The Board may meet without management being present at such times as it believes appropriate.
- 5.2 Directors are entitled to obtain independent professional advice, at the Company's cost, whenever they reasonably judge such advice to be necessary for them to discharge their responsibilities as Directors.
- 5.3 Before obtaining independent professional advice, Directors should advise the Chair of the Board of the fees payable for such advice and the reasons why they believe such advice to be necessary for them to discharge their responsibilities as Directors.

6. Adoption of this Charter

- 6.1 This Charter has effect from 27 March 2024 and replaces any previous Charter with effect from that date.