

RESTAURANT BRANDS NEW ZEALAND LIMITED (RBD) BOARD CHARTER

1. OVERVIEW

This Board Charter sets out the principles for the operation of the board of directors (**Board**) of RBD and describes the functions of the Board. This Board Charter covers the following areas and should be read in conjunction with RBD's Constitution and the NZX and ASX Listing Rules:

- Role and Responsibilities of the Board
- Board Membership
- Board Procedure
- Review of the Board

2. ROLE AND RESPONSIBILITIES OF THE BOARD

The primary objective of the Board is to effectively represent, and promote the interests of, shareholders with a view to adding long term value to RBD's shares. The Board is responsible for managing the affairs of RBD and its subsidiaries (the **Group**) including:

- **Strategic and financial performance** – by:
 - providing leadership and developing and approving RBD's corporate strategy, investment and performance objectives;
 - evaluating, approving and monitoring RBD's strategic, investment and financial plans and objectives;
 - evaluating, approving and monitoring the annual budgets and business plans;
 - determining RBD's dividend policy (if any), dividend re-investment plan (if any) and the amount and timing of all dividends;
 - evaluating, approving and monitoring major capital expenditure, capital management and all major acquisitions, divestitures and other corporate transactions, including the issue of securities of RBD;
 - approving all accounting policies, financial reports and material reporting and external communications by RBD;
 - assessing the solvency and performance of RBD;
 - appointing the Chair of the Board and, where appropriate, any deputy chair or senior independent director;
- **Executive management** – by:
 - appointing, monitoring and managing the performance of RBD's executive directors (if any);
 - managing succession planning for RBD's executive directors (if any) and any other key management positions within the Group as identified from time to time, including reviewing any succession plans recommended by the Nomination Committee;
 - appointing and, where appropriate, removing any Chief Executive Officer;
 - ratifying the appointment and, where appropriate, the removal of senior management of the Group;

- with the advice and assistance of the Remuneration and Nominations Committee, reviewing and approving the performance of Group senior executives as well as any policies concerned with the remuneration of any senior executive;
- with the advice and assistance of the Remuneration and Nominations Committee, reviewing and approving the remuneration of non-executive Board members;
- ensuring appropriate resources are available to senior executives;
- advising senior management of its obligation to provide to the Board all information required by it to discharge its responsibilities, including any information specifically requested by the Board;
- overseeing senior management's implementation of RBD's strategic objectives;
- ***Audit and risk management*** – by:
 - with the recommendation of the Audit and Risk Committee, appointing the external auditor and determining its remuneration and terms of appointment;
 - ensuring effective audit, risk management and regulatory compliance programs are in place to protect RBD's assets and shareholder value;
 - evaluating, establishing, approving and monitoring the risk appetite within which the Board expects management of the Group;
 - approving and monitoring RBD's risk and audit framework, including (but not limited to) systems of risk management and internal compliance and control;
 - approving and, with the assistance and advice of the Audit and Risk Committee, monitoring compliance with RBD's Risk Management Framework;
 - monitoring the Group's operations in relation to, and in compliance with, relevant regulatory and legal requirements;
 - approving and overseeing the integrity of the accounting, financial and other corporate reporting systems and monitor the operation of these systems;
- ***Strategic planning*** – by:
 - engaging in strategic planning including establish goals for management of the Group and monitor the achievement of those goals;
 - ensuring strategic planning is based on the identification of opportunities and the full range of business risks that will determine which of those opportunities are most worth pursuing;
 - on an ongoing basis, reviewing 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;
- ***Corporate governance and disclosure*** – by:
 - overseeing the affairs of RBD, including its control and accountability systems;
 - evaluating the overall effectiveness of the Board, its committees and its corporate governance practices;
 - regularly reviewing the performance and effectiveness of RBD's corporate governance policies and procedures and, if appropriate, amending those policies and procedures or adopting new policies or procedures;
 - reviewing and approving all disclosures related to any departures from the NZX Corporate Governance Best Practice Code and the ASX Corporate Governance Council Corporate Governance Principles and Recommendations;
 - reviewing and approving the public disclosure of any RBD policy or procedure;

- supervising the public disclosure of all matters that the law and the NZX and ASX Listing Rules require to be publicly disclosed in a manner consistent with the Group Continuous Disclosure Policy;
- developing and reviewing an appropriate communications policy to promote effective communication with shareholders and participation at general meetings;
- approving the appointment of directors to committees established by the Board and overseeing the conduct of each committee; approving and monitoring delegations of authority;
- with the assistance of the Remuneration and Nominations Committee, identifying any specific responsibilities of individual Board members, including the Chair;
- preparing RBD's annual corporate governance disclosure statements;
- **Performance evaluation** – by:
 - with the advice and assistance of the Remuneration and Nominations Committee, biennially reviewing and evaluating the performance of the Board, each board committee, and each individual director against the relevant charters, corporate governance policies, and agreed goals and objectives;
 - following each biennial review and evaluation, considering how to improve performance;
 - agreeing and setting the goals and objectives for the Board and its committees each year, and if necessary, amending the relevant charters, committees, policies or goals and objectives;
 - with the advice and assistance of the Remuneration and Nominations Committee, reviewing and approving the remuneration of RBD's non-executive directors;
- **Workplace Health and Safety** – by:
 - monitoring compliance with RBD's Workplace Health and Safety Framework and associated policies;
 - with the advice and assistance of the Health and Safety Committee, reviewing RBD's Workplace Health and Safety Framework on a regular basis to ensure that it remains relevant and appropriate to RBD;
 - with the advice and assistance of the Health and Safety Committee, setting and monitoring performance against RBD's Health and Safety targets;
- **Ethical Conduct Policy** – by:
 - adopting and applying appropriate ethical standards in relation to the management of the Group and the conduct of its business; and
 - monitoring compliance with RBD's Group Ethical Conduct Policy.

3. BOARD MEMBERSHIP

The Board shall comprise at least the number of directors as set out in RBD's Constitution from time to time and it is intended that the Board should, where practicable, comprise:

- a majority of independent directors; and
- Directors with a broad range of skills, expertise and experience from a diverse range of backgrounds that is relevant to RBD and its strategy.

For the purposes of this Board Charter, an "independent director" is a non-executive director who does not have a disqualifying relationship. A disqualifying relationship is any direct or

indirect interest or relationship that could reasonably influence, in a material way, the director's decisions in relation to RBD) and may include a director who:

- is a substantial product holder (as defined in the Financial Markets Conduct Act 2013) of RBD or an associated person of a substantial product holder of RBD;
- either directly or through his/her associated persons, has a relationship (other than as a director) with the Group or a substantial product holder of RBD and by virtue of that relationship is (or his/her associated person is) likely to derive, in RBD's current financial year, a substantial portion (being equal to or greater than 10%) of his/her revenue from the Group during that year (excluding dividends and other distributions payable to all holders of a class of RBD's equity securities);
- within the last three years, has been employed in any executive capacity by the Group, or has been a director after ceasing to hold any such employment;
- within the last three years has been a principal of a material professional adviser or material consultant to the Group, or an employee materially associated with the service provided;
- is in a material business relationship (eg a material supplier or franchisee) of the Group, or an officer of or otherwise associated directly or indirectly with an entity which the Group is in a material business relationship with;
- has a material contractual relationship with the Group other than as a director of RBD;
- has served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of RBD; and
- has any interest or any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of RBD.

For the purposes of the definition of an "independent" director, a person (A) is an "associated person" of another (B) if, as a consequence of an arrangement or relationship between them or involving them, A could be influenced in making a decision or exercising a power in respect of RBD. Further definition is set out in the NZX Listing Rules.

Family ties and cross-directorships may be relevant in considering interests and relationships which may compromise independence and should be disclosed by directors to the Board.

The Board should regularly assess whether each non-executive director is independent. Each non-executive director should provide to the Board all information that may be relevant to this assessment. If a director's independent status changes, this should be disclosed and explained to the market in a timely manner.

4. DIRECTORS' RESPONSIBILITIES

Each director of RBD is bound by RBD's charters, frameworks and policies, including any:

- Code of Ethical Conduct;
- Insider Trading Policy;
- Group Continuous Disclosure Policy;
- Diversity Policy;
- Health and Safety Framework;

- Risk Management Framework;
- Audit and Risk Committee Charter;
- Health and Safety Committee Charter; and
- Remuneration and Nominations Committee Charter.

The directors of RBD must:

- conduct their duties at the highest level of honesty and integrity;
- observe the rule and the spirit of the laws to which the Group is bound and comply with any relevant ethical and technical standards;
- maintain the confidentiality of all information acquired in the course of conducting their 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 NZX or ASX Listing Rules;
- observe the principles of independence, accuracy and integrity in dealings with the Board, board committees, internal and external auditors, senior management and employees within the Group;
- act in accordance with this Board Charter and disclose to the Board any actual or perceived conflicts of interest, whether of a direct or indirect nature, of which the director becomes aware and which the director reasonably believes is material, in that it may or may be perceived to influence his vote or compromise the reputation or performance of RBD; and
- set a standard of honesty, fairness, integrity, diligence and competency in respect of the position of director.

5. ROLE AND DUTIES OF THE CHAIR

RBD recognises that it is important that the Chair of the Board has a defined role in the organisation and operates in accordance with clear functional lines.

The role of Chair requires a significant time commitment. The Chair's other positions should not be such that they are likely to hinder effective performance in the role.

The Chair will:

- where practicable, be an independent non-executive director;
- chair board meetings;
- approve the agenda for Board meetings, in consultation with the directors and the Company Secretary; and
- chair meetings of shareholders, including the Annual General Meeting of RBD.

The roles of Chair and Chief Executive Officer (if any) will be exercised by two separate individuals.

The Chair will be selected on the basis of relevant experience, skill, judgement and leadership abilities to contribute to the effective direction of RBD.

The Chair is responsible for:

- leadership of the Board and for the efficient organisation and conduct of the Board's functions;
- promoting a constructive governance culture and applying appropriate governance principles among directors and with management; and
- facilitating the effective contribution of all directors and promoting constructive and respective relations between directors and between Board and management.

6. ROLE OF THE GROUP CHIEF EXECUTIVE OFFICER

The Board has statutory responsibility for the affairs and activities of RBD, which in practice is achieved through delegation to the Group Chief Executive Officer and others who are charged with the day to day leadership and management of the Group.

7. CONFIDENTIAL INFORMATION AND EXTERNAL COMMUNICATIONS

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

- generally, only authorised spokespersons (as set out in the Group Continuous Disclosure Policy) will speak for RBD. Individual Board members are expected not to communicate on behalf of the Board or RBD without prior consultation with the Chair;
- any disclosure of information to a shareholder which is not disclosed to the market must be approved under the Group Continuous Disclosure Policy and must comply with the NZX and ASX Listing Rules; and
- all directors are required to keep all information provided to them in their capacity as a director confidential, unless it is required by law or by the NZX or ASX Listing Rules.

8. CONFLICTS OF INTEREST

The directors of RBD are required to act in a manner which is consistent with the best interests of RBD as a whole, free of any actual or possible conflicts of interest.

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 company, on the one hand, and the interests of RBD or their duties to RBD, on the other hand, the director must:

- fully and frankly inform the Board about the circumstances giving rise to the possible or actual conflict;
- if requested by the Board, within seven days or such further period as may be permitted, take such steps necessary and reasonable to remove any conflict of interest; and
- abstain from voting on any motion relating to the matter and absent themselves from all board deliberations relating to the matter, including receipt of Board papers bearing on the matter.

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 Chair (or, in the case of the Chair, the Chair should immediately consult with the other non-executive directors).

9. MEETINGS OF THE BOARD

- ***Frequency***

The Board will meet not less than six times formally per annum and as frequently as may otherwise be required to deal with urgent matters.

- ***Convening***

A meeting of the Board will usually be convened by the Chair.

- ***Method***

Meetings of the Board may be held or participated in by conference call or similar means. Resolutions of the Board may be passed by circular resolution or in writing in accordance with RBD's Constitution.

- ***Attendance***

- All directors are expected to diligently prepare for, attend and participate in all Board meetings.
- At a minimum, a quorum of directors under RBD's Constitution is three directors.
- The Chair should ensure the availability and, if necessary, the attendance at the relevant meeting, of any member of RBD's executive management responsible for a matter included as an agenda item at the relevant meeting.

- ***Minutes***

- Minutes of Board meetings shall be kept by the Company Secretary.
- The minutes shall be circulated in draft form to all committee members to ensure an accurate final record and shall be approved at a subsequent meeting of the committee.

- ***Agenda***

An agenda will be prepared for each Board and Board committee meeting by the Company Secretary. The following items will be standing items on the agenda unless otherwise determined by the Chair:

- approval of minutes of previous Board meeting;
- items requiring Board approval;
- consideration of any continuous disclosure matters;
- directors' declarations; and
- matters arising from minutes of previous Board meeting (Note: directors are expected to review the minutes carefully and raise any concerns, requested amendments or seek clarification in the following Board meeting).

10. BOARD COMMITTEES

In order to fulfil its duties, the Board has established the following committees:

- the Audit and Risk Committee, which is responsible for monitoring and advising the Board on RBD's audit, financial statements and reporting, internal controls, risk management and regulatory compliance policies and procedures; and
- the Remuneration and Nominations Committee, which is responsible for:
 - advising the Board on the composition of the Board; and

- establishing the policies and practices of RBD regarding the remuneration of non-executive directors and senior executives and RBD's general approach to remuneration and reviewing all components of the remuneration framework.
- The Health and Safety Committee which is responsible for monitoring and advising the Board on RBD's Health and Safety policies and procedures.

Although the Board may delegate powers and responsibilities to these committees, the Board retains ultimate accountability for discharging its duties.

The Board will consider and approve the charters of the various committees. These charters will identify the areas in which the Board will be assisted by each committee.

The composition of the membership, including the Chair, of each of the various committees will be as determined by the Board from time to time, subject to the requirements of each committees' charter.

Each committee will report regularly to the Board in accordance with their respective charters.

11. COMPANY SECRETARY

The Company Secretary is directly accountable to the Board through the Chair, unless delegated by the Board to another appropriate person. The Company Secretary's role is to:

- advise the Board and its committees on governance matters;
- coordinate all Board business including:
 - prepare agendas;
 - coordinate the timely completion and despatch of Board and committee papers;
 - ensure the business at Board and committee meetings is accurately captured in the minutes;
 - lodge communications and filings with the NZX and ASX;
 - monitor compliance with Board and committee policy and procedures; and
 - help to organise and facilitate the induction and professional development of directors.

The Board will appoint at least one Company Secretary. Appointment and removal of a Company Secretary will be subject to Board approval.

All directors will have direct access to the Company Secretary.

12. INDEPENDENT ADVICE

A director of RBD is entitled to seek independent professional advice (including, but not limited to, legal, accounting and financial advice) at RBD's expense on any matter connected with the discharge of his or her responsibilities, in accordance with the procedures and subject to the conditions set out below:

- a director must seek the prior approval of the Chair;
- in seeking the prior approval of the Chair, the director must provide the Chair with details of the nature of the independent professional advice, the likely cost of the advice and details of the adviser he or she proposes to instruct;

- the Chair may set a reasonable limit on the amount that RBD will contribute towards the cost of obtaining the advice;
- all documentation containing or seeking independent professional advice must clearly state that the advice is sought both in relation to RBD and to the director in their professional capacity. However, the right to advice does not extend to advice concerning matters of a personal or private nature, including for example, matters relating to the director's contract of employment with RBD (in the case of an executive director) or any dispute between the director and RBD; and
- the Chair may determine that any advice received by an individual director will be circulated to the remainder of the Board.

All directors are entitled to the benefit of RBD's standard Deed of Indemnity which provides directors with indemnification to the extent permitted by section 162 of the Companies Act 1993 and, at RBD's expense, Directors and Officers insurance.

13. REMUNERATION

The level of director remuneration will be approved by the Board as or by shareholders as RBD's Constitution may require.

14. REVIEW

The Board will undertake a biennial performance evaluation of itself that:

- compares the performance of the Board with the requirements of this Charter;
- reviews the performance of the Board's committees and individual directors;
- sets forth the goals and objectives of the Board for the coming year; and
- recommended changes or improvements to this Charter if necessary or appropriate.

The Board may (and must at least once every six years), substitute the biennial performance self-evaluation above with an independent external review of the Board, its committees and individual director's performance.

15. REVISIONS OF THIS CHARTER

This Board Charter and any amendments to it must be approved by each director of RBD.

Each director is responsible for review of the effectiveness of this Charter and the operations of the Board and to make recommendations to the Board of any amendments to this Board Charter.