



RETAINED AND DELEGATED AUTHORITIES OF THE BOARD

August 2012

1. AUTHORITIES

1.1 Powers reserved for the Board

This policy outlines those matters which require specific approval by the board of directors (**Board**) of OPUS Group Limited (ABN 48 006 162 876) (**Company**), and should be read in conjunction with more detailed descriptions of the board powers, which are outlined in the roles and responsibilities of the Audit, Risk Management and Compliance Committee and the Nomination and Remuneration Committee.

The following powers are specifically reserved for the Board:

(a) Chief Executive Officer and Senior Management

- Appointment and removal of the Chief Executive Officer;
- Terms and conditions of employment of the Chief Executive Officer;
- Reviewing the performance of the Chief Executive Officer to pre-determined criteria on at least an annual basis;
- Executive Remuneration Policy;
- Ratification of the appointment and removal of the Chief Financial Officer and Company Secretary;
- Appointments of directors to subsidiary companies;
- Changes to the Company's/group's management structure;
- Significant changes in current arrangements regarding superannuation; and
- Significant changes in employee share schemes and the allocation of executive share options.

(b) Board Committees

- Charters of Board Committees;
- Appointments to and removal from Board Committees; and
- Recommendations from the Audit Risk Management and Compliance Committee for the appointment and removal of external auditors.

(c) Financial

- Approval of financial statements and any significant changes to accounting policies;
- Approval of the strategic plan and annual operating and capital budgets;
- Approval of dividend payments;
- The issue of shares, options, equity instruments or other securities;

- Major investments including the acquisitions or disposal of significant interests in the voting shares of a company or the making of a takeover bid;
- Material contracts of the Company not in the ordinary course of business; (for example acquisitions, foreign currency transactions; acquisition and disposal of fixed assets; bank borrowing);
- Establishment, acquisition, cessation or disposal of any significant business;
- Substantial changes in the capital structure of subsidiary companies;
- Approval of risk management plan; and
- Approval of the internal control framework and significant changes to it.

(d) Policy

- Ethics and Responsible Business Conduct Policy;
- Securities Trading Policy;
- Communications Policy;
- Approval of major treasury policies (including foreign exchange and interest rate exposures);
- Occupational Health and Safety Policy; and
- Environmental Policy.

(e) Other

- Approval of ASX disclosures;
- Any changes to delegations which have been previously approved by the Board;
- Formulation of policy regarding charitable and political donations; and
- Directors' and Officers' Liability Insurance.

2. DELEGATIONS TO MANAGEMENT

2.1 Financial Delegations

The Board has approved the following financial delegations to the Chief Executive Officer. The Chief Executive Officer will have the authority to sub-delegate authority within these limits (except as provided below).

- Operational expenditure within budget does not generally require Board approval.
- Capital expenditure with a value of over \$250,000 requires Board approval.

- The write off, write down or disposal of fixed assets with a value of over \$250,000 requires Board approval;
- Capital expenditure with a value of over \$50,000 requires the Chief Executive Officer's approval.

In determining the value of an item or transaction for these purposes the value of the entire contract over time must be accounted for. For example a property lease would include the capitalised value of the lease payments over the term of the lease.

2.2 **Specific Non Financial Delegations to Chief the Executive Officer**

Powers of a non-financial nature are expressly given to the Chief Executive Officer in the following policies of the Company:

- Ethics and Responsible Business Conduct policy; and
- Media Announcements Policy.

The Chief Executive Officer must keep the Board informed of the developments relating to any significant litigation.