

# Board Charter

## 1. Purpose of charter

### 1.1

The Board Charter sets out the authority, powers, responsibilities, composition, operation, policies and processes of the Board of Plan B.

### 1.2

The Board is responsible for the corporate governance of Plan B and its controlled entities ("the Group"). Corporate governance is undertaken with due regard to all of the Plan B stakeholders and Plan B's role in the community.

## 2. Authority

### 2.1 - Authority to act

The Board derives its authority to act from the Company's Constitution and the law governing corporations and finance entities in the jurisdictions in which the Group operates.

### 2.2 - Role of the Board

The role of the Board is to:

- promote the success of the Group by directing and supervising the Group's affairs
- provide entrepreneurial leadership of the Group within a framework of prudent and effective controls that enable risk to be assessed and managed
- set the Group's strategic aims, ensuring the necessary financial and human resources are in place for the Group to meet its objectives
- provide effective oversight of management, including reviewing management's performance against the Group's strategic aims and objectives, and
- set the company's values and ethical standards and ensure that its obligations to shareholders and others are understood and met.

### 2.3 - Board Committees

The Board may establish committees as it considers necessary or appropriate to assist it in carrying out its responsibilities.

### 2.4

The Board shall as a minimum, establish the following committees and shall adopt charters setting out matters relevant to the authority, responsibilities, composition and operation of those committees:

- Audit & Risk Management
- Nomination and Remuneration
- Investment Policy

### 2.5 - Delegation to Management

The Board delegates to the Managing Director the authority and power to manage the day to day business affairs of Plan B and the Group subject to such specific delegations and limits that the Board makes from time to time. The Managing Director has authority to sub-delegate such authority and power to such members of the management team as he shall determine from time to time.

### 2.6 - Access to Independent Professional Advice

The Board has the authority to conduct or direct any investigation required to fulfil its responsibilities and has the ability to retain, at Plan B's expense, such legal, accounting or other advisers, consultants or experts as it considers necessary from time to time in the performance of its duties.

### 2.7

Each Director shall have the right to seek independent professional advice at Plan B's expense, subject to the prior approval of the Chairman.

## 3. Powers

### 3.1

In addition to matters expressly required by law to be approved by the Board, powers specifically reserved for the Board are as follows:

- (a) appointment of the Managing Director (or Chief Executive Officer) and determination of his or her terms and conditions (including remuneration);
- (b) appointment of the Company Secretary;
- (c) any matters in excess of discretions that it may have from time to time delegated to the Managing Director and senior management in relation to credit transactions, market risk limits and expenditure; and
- (d) approvals of each of the following:
  - (i) the strategic plan
  - (ii) capital structure and dividend policy
  - (iii) the remuneration and conditions of service including financial incentives for any executive Directors and the Company Secretary
  - (iv) significant changes to organisational structure
  - (v) the acquisition, establishment, disposal or cessation of any significant business of Plan B
  - (vi) the issue of any shares, options, equity instruments or other securities in Plan B
  - (vii) borrowings, other than in the ordinary course of business, and the granting of security over, or interests in, the undertaking of the Plan B Group or any of its assets
  - (viii) policies which have a Group-wide application
  - (ix) the annual and half year financial reports and any other information for disclosure to the market that contains financial projections or statements as to future financial performance
  - (x) any public statements which reflect significant issues of Plan B policy or strategy; and
  - (xi) any changes to the discretions delegated from the Board.

## 4 - Specific Responsibilities

### 4.1

The Board has a specific responsibility to:

- (a) monitor and assess management's performance in achieving strategies approved by the Board
- (b) set criteria for, and evaluate at least annually, the performance of the Managing Director
- (c) review on a regular and continuing basis:
  - (i) executive succession planning (and in particular for the Managing Director); and
  - (ii) executive development activities.
- (d) with the guidance of the Nomination and Remuneration Committee, approve key remuneration policies and practices for executives, Directors and employees
- (e) approve all appointments of Directors to the boards of controlled entities and appointments made by Plan B to non-controlled entities
- (f) with the guidance of the Audit & Risk Management Committee:
  - (i) oversee the establishment, implementation and review of effective Group risk management, compliance and internal controls systems, and
  - (ii) oversee the establishment and ongoing review of Group corporate governance policies, procedures and practices
  - (iii) review and monitor the processes, controls and procedures in place to maintain the integrity of the Group's financial reporting
- (g) with the guidance of the Investment Policy Committee, review and monitor the Group's investment policies and practices
- (h) monitor and influence the culture, reputation and ethical standards of the Group
- (i) set criteria for, and evaluate at least annually, the performance of the Board, Managing Director, Chairman and other Directors
- (j) review:
  - (i) overall Board processes, and
  - (ii) this Charter and its continuing adequacy from time to time.

## 5 - Board Composition

### 5.1

The Board should comprise Directors with a broad range of expertise, skills and experience required to enable Plan B to fulfil its goals and responsibilities.

The Nomination and Remuneration Committee will provide guidance to the Board in identifying other appropriate skills and characteristics that may be required for the Board.

### 5.2

The size of the Board will be determined in accordance with Plan B's Constitution and will be of a size suited to assist in efficient decision-making.

### 5.3

The Board considers that in the immediate term, having regard to the needs of the Company at this time for appropriate skills, expertise and a first hand understanding of the Company and the industry in which it operates, Plan B shareholders' best interests are served by maintaining the current structure of equal executive and non-executive Director numbers.

## 6 - Chairman

### 6.1

The roles of Chairman and Managing Director should not be filled by the same person.

### 6.2

An executive Chairman (who is not the Managing Director) heads the Board. The Board believes that shareholders' interests are best served by an appointee with the in-depth knowledge of the company and the industry to ensure that the Board agenda appropriately targets the most critical business matters.

### 6.3

While the Board is headed by a Chairman who is not independent, one of the Board's independent non-executive Directors is appointed as the "standing alternate for the Chair". The standing alternate acts as Chairman during Board consideration of those matters in which it is considered that the Chairman of the Board has or may be perceived to have a conflict of interest.

### 6.4

The Chairman's responsibilities as Chairman of the Board include:

- (a) leadership and effective performance of the Board
- (b) setting the agenda for Board meetings, in conjunction with the Managing Director (or Chief Executive Officer) and Company Secretary
- (c) overseeing the provision by management to Directors of accurate, timely and clear information

- (d) arranging regular evaluation of the performance of the Board and its Committees and of individual Directors
- (e) ensuring that Directors have adequate opportunity to contribute
- (f) promoting relations between Directors and management, particularly the Managing Director that are open, cordial and conducive to productive cooperation; and
- (g) establishing a protocol to take effect on occasions when the Chairman is absent from meetings of the Board.

## 7 - Directors' conduct

### 7.1

Directors collectively should:

- (a) challenge and contribute to the development of strategy
- (b) scrutinise the performance of management against agreed objectives
- (c) monitor the reporting of performance
- (e) review and where appropriate, be challenging in questioning about proposals presented by management
- (f) request additional information where they consider that the information supplied by management is inadequate to support informed decision-making
- (g) take reasonable and proper steps to satisfy themselves that financial information released to the markets and shareholders is accurate, and that there are adequate and proper financial controls and systems of risk management and that the controls are maintained and the systems robust.

### 7.2

Directors individually should:

- (a) inform themselves to a reasonable extent about the subject matter of all decisions they are called upon to make as Directors of the Company, and
- (b) keep their own performance under review, taking into account their other commitments, state of health and personal situation, to determine whether they have an ongoing capacity to meet their obligations as a Director of the Company.

### 7.3

Before appointment, Directors must:

- (a) disclose to the Chairman the nature and extent of their other appointments and activities
- (b) when advising their willingness to accept appointment, demonstrate that they understand what is expected of them
- (c) confirm that they are willing to make the necessary commitments, and will have available the time required, to discharge their responsibilities.

### 7.4

A Director must inform the Board or the Chairman, as soon as the Director is aware of any conflict or potential conflict of interest that the Director may have in relation to any particular item of business. Unless decided otherwise by those members of the Board who are not conflicted, the Director should be absent from discussion and decision on that matter. Directors must comply strictly with Corporations Act requirements and the Directors' Conflict of Interest Policy.

### 7.5

Prior to the acceptance of any relevant external appointments, Directors should obtain the Chairman's consent. Relevant appointments include any appointment with potential to:

- (a) cause a conflict of interest for the Director;
- (b) affect the Director's independence;
- (c) have reputational consequences for Plan B; or
- (d) place demands on the Director's time that could hinder their ability to attend Board meetings and discharge their responsibilities to Plan B.

### 7.6

A record of Board submissions and papers, and of material presented to the Board, is maintained and held by the Company Secretary together with minutes of meetings, and is accessible to Directors.

### 7.7

In consultation with the Managing Director, Directors are able to access Company information direct from management.

### 7.8

Deeds should be entered into between Directors severally and the Company, recording arrangements on indemnification, insurance and access to company documents and independent legal advice, at Company expense.

## 8 - Independence of Directors

### 8.1

A Director is considered to be independent for the purposes of service on the Board and Board Committees of the Plan B Group if the Director satisfies the criteria set out in the Independent Director Standards adopted by the Board from time to time to assist in its regular "independence" determinations.

### 8.2

The definition and criteria used by the Board for determining independence are consistent with the Corporate Governance Principles and Recommendations issued by the Australian Stock Exchange Corporate Governance Council from time to time.

### 8.3

The fundamental premise of the policy is that an independent Director is independent of management and free of any business or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with – the exercise of their unfettered and independent judgement.

### 8.4

Directors are required to volunteer any relevant information to allow a periodic assessment of independence.

## 9 - Appointment and re-election of Directors

### 9.1

New Board members are required to possess the particular skills, experience and expertise that will best complement Board effectiveness at that time. In its evaluation of candidates for the Board, the Nomination and Remuneration Committee will have regard to normally accepted nomination criteria as set out in its Charter.

### 9.2

Qualifications and reference checks will be conducted on preferred candidates prior to appointment.

The most suitable candidate is appointed by the Board but must stand for election by the shareholders at the next annual general meeting.

### 9.3

Plan B has formal letters of appointment for its Directors setting out the key terms and conditions of the appointments.

### 9.4

The process for re-election is in accordance with Plan B's Constitution. A Director (other than a Director who is a Managing Director) must retire from office at the third annual general meeting after the Director was elected or most recently re-elected. At least one Director is required to be elected or re-elected at an annual general meeting.

### 9.5

Prior to each annual general meeting, the Board will assess the performance of each Director due to stand for re-election and determine if the Board will recommend to the shareholders that they vote in favour of the re-election, or otherwise, of each such Director.

## 10 - Induction and Continuing Education

### 10.1

Plan B has an orientation program for new Directors. The program includes meetings with other Board members, the Managing Director and senior executives and the provision of comprehensive induction materials. The induction material includes, among other things, Directors' rights, duties and responsibilities, the Group's strategic plans and financial statements, its risk management and compliance programs, its Code of Conduct, management structure, recent minutes and material announcements, Board policies and procedures.

### 10.2

Directors are expected to maintain the skills required to discharge their obligations to the Company. For this purpose they should undertake continuing professional education to the extent necessary. Request for approval of professional education courses may be made to the Company Secretary and where a request is approved, the cost of the course will be met by the Company.

## 11 - Board Succession

### 11.1

Board succession planning is the responsibility of the Board and is based on the succession plan prepared and reviewed periodically by the Nomination and Remuneration Committee.

## 12 - Board Meetings

### 12.1

The Board should hold scheduled meetings at least six times each year. The Board may at any time, and the Company Secretary must on the request of the Chairman (or of any Director after the Director has first consulted with the Chairman,) convene an unscheduled meeting of the Board.

### 12.2

Where it is not practical to convene a meeting, urgent decisions may be made by resolution circulated in writing, in accordance with the Company's Constitution and the Board Protocol governing the procedures for written resolutions.

### 12.3

Time is allocated each year for reviewing the Company's strategy with management.

### 12.4

Board and Committee papers should be provided to Directors sufficiently in advance of scheduled meetings to permit adequate preparation.

### 12.5

Board agendas should be settled by the Chairman in conjunction with the Managing Director and Company Secretary.

### 12.6

Meetings should be so convened that, wherever possible, Directors are able to attend and participate in person. Where personal attendance by some or all Directors is not possible, meetings should be convened and conducted so as to facilitate participation by audio-conference and/or videoconference.

### 12.7

Board members are expected to prepare adequately, attend and participate at Board and Committee meetings.

## 12.8

As far as is practicable within Board size and composition constraints, the non-executive Directors should arrange to meet on a periodic basis without members of management present.

## 13 - Communications

### 13.1

The Board believes that the Chairman and Managing Director speak for the Group. Individual Board members are expected not to meet or otherwise communicate with various constituencies who are involved with the Group without prior consultation with the Chairman and the Managing Director.

## 14 - Company Secretary

### 14.1

All Directors should have direct access to the Company Secretary.

### 14.2

The Company Secretary is accountable to management, and the Board, through the Chairman, on all governance matters.

## 15 - Ethical Values and Codes of Conduct

### 15.1

The operations of the Group are driven by the Group Mission Statement and Values. All the Values are important and cover every aspect of Plan B's businesses.

### 15.2

The Values require that the business be conducted ethically and with professionalism to achieve the highest standards of behaviour.

### 15.3

The Values are reinforced by the Group's Codes of Conduct which require observance of strict ethical guidelines.

### 15.4

The Codes of Conduct apply to all senior executives and employees of the Group, as well as to the Directors, temporary workers and other independent contractors and consultants when engaged by or otherwise representing the Group and its interests. In addition this Board Charter also governs the conduct of the Board and each Director.

## 16 - Confidential Information

### 16.1

The internal controls systems are monitored and employee integrity is fostered to prevent the improper disclosure of confidential customer information outside the Group or use of that information for the financial gain of another entity (including any entity with which a Director has an association). The Directors regard the confidentiality of customer information as highly important. When the Directors are serving on boards of other companies and undertaking private transactions, they are to have regard to their confidentiality obligations at all times.

## 17 - Restrictions on Share Dealings by Directors

### 17.1

Directors are subject to the Corporations Act 2001 (Cth) restrictions on applying for, acquiring and disposing of securities in, or other relevant financial products of, the Group (or procuring another person to do so), if they are in possession of inside information.

### 17.2

Directors may only trade in Plan B's securities (subject to complying with the applicable law) in accordance with the rules set out in Plan B's Securities Dealing Policy. Directors must notify the Company Secretary of an intention to deal in Plan B securities prior to trading.

### 17.3

Directors must not trade in the securities of any other entity if inside information on such entity comes to the attention of the Director by virtue of holding office as a Director of a Plan B Group company.

## 18 - Board Performance

### 18.1

The Board will undertake a performance evaluation at least once every two years that:

- (a) reviews the performance of the Board against the requirements of this Charter
- (b) reviews the performance of the Board Committees against the requirements of their respective Charters
- (c) reviews the individual performances of the Chairman, the Managing Director and the Directors
- (d) reviews this Charter, the Committee Charters and the procedures of the Board with a view to continuous improvement.

### 18.2

The Board will determine the scope of the performance evaluation and how it is carried out, in order to achieve the above objectives.

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*The Charter was adopted by the PBGH Board on 20 April 2007.*

*The Charter was amended by the PBGH Board on 25 November 2008.*