

Audit & Risk Management Committee Charter

1 - Role

1.1

The Audit & Risk Management Committee (“the Committee”) is established by the Board of directors of Plan B Group Holdings Ltd (“the Board”).

It assists the Boards of Plan B Group Holdings Ltd, Plan B Trustees Limited and other subsidiary companies in the group to meet their oversight responsibilities in relation to:

- a) the financial reporting and audit functions for all Plan B Group companies and the funds, schemes and trusts managed by those companies;
- b) the establishment, implementation and review of the Group risk management, compliance and internal control systems, legal and regulatory requirements; and
- c) the establishment and ongoing review of Group corporate governance policies, procedures and practices.

In doing so, it is the responsibility of the Committee to maintain free and open communication between the Committee, the auditors and the management of the Company.

2 - Authority

2.1

The Committee is authorised by the Board to:

- a) resolve any disagreements between management and the External Auditor regarding the Group’s financial reporting;
- b) seek any information it requires from any employee of the Group and the External Auditor in order to perform its duties; and
- c) obtain, at the Company’s expense, outside legal or other professional advice on any matters within its Charter.

3 - Duties

3.1 - Audit

The Committee will consider and make recommendations to the Board in relation to:

- a) the engagement, evaluation and termination of the External Auditor;
- b) the terms of the annual audit arrangements;
- c) the annual audit plan and fees;
- d) determine categories and quantum of non-audit services that may be provided by the external auditor;
- e) annually review the effectiveness of the External Auditor;
- f) annually review the independence, fitness and propriety, and qualifications of the external auditor including rotation of the lead audit partner; and
- g) periodically assess if and when an internal audit or other assurance function is required.

3.2 - Financial Reporting

The Committee will:

- a) ensure that Annual Financial Reports and other financial reports comply with legal requirements and that accounting policies adopted by the group are appropriate through discussions with the external auditor and management about the critical accounting policies and requirements and any proposed changes;
- b) review, and where appropriate, recommend for adoption, the audited (half year : reviewed) financial statements and related regulatory filings of Group companies and the funds, schemes and trusts managed by those companies, taking into account:
 - (i) the effect of any unusual transactions or adjustments and of any significant matters arising from the external audit;
 - (ii) the clarity of disclosures;
 - (iii) the going concern assumption;
 - (iv) compliance with accounting standards;
 - (v) compliance with stock exchange, prudential and other regulatory requirements; and
 - (vi) the Managing Director and Chief Financial Officer (CFO) statements to the relevant Board made pursuant to the requirements of the Corporations Act and the processes relied on to reach the opinions provided in the certifications.

3.3 - Risk Management & Compliance

The Committee will keep under review the effectiveness of the Group’s management reporting and internal controls policies and procedures for the identification, assessment, reporting and management of risks, taking into account:

- a) the development and maintenance by management of a comprehensive Risk Management Framework and Internal Controls system;
- b) the regulatory compliance programmes of Group businesses and management accountability for the effectiveness of these programmes;
- c) the adequacy of compliance resources to assist the businesses and to carry out independent compliance reviews;
- d) the appropriate and timely escalation, reporting and managing of compliance incidents and breaches;
- e) the Group’s culture of compliance and risk management and the extent to which it is supported by effective training and communications programmes for its employees and service providers;
- f) reports by management and the External Auditor on the effectiveness of all risk management, internal controls and compliance systems and programs;
- g) periodic review and challenge of the Group risk profile describing the material financial and non-financial risks facing the organisation;

- h) the impact and rectification of significant risk events and compliance incidents; and
- i) the appropriate management of relationships with regulators.

3.4 - Corporate Governance

The Committee will:

- a) review and assess the appropriateness and effectiveness of the corporate governance framework and compliance, control and assurance systems throughout the group;
- b) ensure management has developed and disseminated appropriate principles, policies, processes and procedures that support ethical decision-making and regulatory compliance; and
- c) participate in annual reviews of the Committee's performance and its Charter to ensure it is operating effectively.

4 - Composition

4.1

The Committee shall be appointed by the Board and will comprise at least three members of the Board of Directors of any of the companies within the Group, a majority of whom will be independent non-executive directors.

4.2

The Chairman of the Committee shall be appointed by the Board and will be an independent non-executive director, and shall not be a Chairman of any of the Group's companies.

4.3

Each member of the Committee should:

- be financially literate,
- have an understanding of the industry in which Plan B operates, and
- have an understanding of risk management and corporate governance principles.

4.4

At least one member of the Committee should have relevant qualifications and experience (that is, should be a qualified accountant or other finance professional with experience of financial and accounting matters).

5 - Meetings

5.1

The Committee will meet at least four times annually, and more frequently as it considers necessary. At least two of these meetings will be to review the half year and annual accounts.

5.2

Representatives of management and of the External Auditor may be invited to attend part or all of any meeting of the Committee.

5.3

The Committee will meet with the External Auditor at least twice each year in the absence of management. The Chairman of the Committee may also meet privately with the External Auditor.

5.4

The Chairman of the Committee will report to the next meeting of the Board, and where appropriate to the Board of a relevant subsidiary company, on the proceedings of the Committee meeting, bringing forward all Committee recommendations requiring Board approval.

5.5

The Secretary will:

- a) in conjunction with the Chairman of the Committee, the Head of Risk Management & Assurance and the CFO settle agendas for and arrange meetings of the Committee so as to ensure timely coverage of all the Committee's business;
- b) distribute agendas and supporting papers to members of the committee at least five (5) days in advance of the relevant meeting;
- c) keep and distribute minutes of each meeting.

5.6

The quorum for a meeting of the Committee will be a majority of the members and must include at least one independent non-executive director.

The Charter was adopted by the PBGH Board on 4 March 2009.