

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

THINK CHILDCARE GROUP being a stapled group comprising Think Childcare Limited A.C.N 600 793 388 and Think Childcare Development Limited A.C.N 635 128 166

ABN / ARBN:

Think Childcare Limited ABN 81 600 793 388  
Think Childcare Development Limited ABN 55 635 178 166

Financial year ended:

31 December 2019

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>

- These pages of our annual report:
- This URL on our website: <http://www.thinkchildcare.com.au/about/corporate-governance-and-policies>


The Corporate Governance Statement is accurate and up to date as at 26 February 2020 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date: 26 February 2020

Name of Director or Secretary authorising lodgement: Mathew Edwards

Signature



<sup>1</sup> Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

<sup>2</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

<sup>3</sup> Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location] ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

<sup>4</sup> If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.thinkchildcare.com.au/about/corporate-governance-and-policies">http://www.thinkchildcare.com.au/about/corporate-governance-and-policies</a></p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location] ... and, where applicable, the information referred to in paragraph (b): <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location] ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.thinkchildcare.com.au/about/corporate-governance-and-policies">http://www.thinkchildcare.com.au/about/corporate-governance-and-policies</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	<p>... our continuous disclosure compliance policy or a summary of it:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<p>... information about us and our governance on our website:</p> <input checked="" type="checkbox"/> at <a href="http://www.thinkchildcare.com.au/investors">http://www.thinkchildcare.com.au/investors</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	<p>... our policies and processes for facilitating and encouraging participation at meetings of security holders:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.thinkchildcare.com.au/about/corporate-governance-and-policies">http://www.thinkchildcare.com.au/about/corporate-governance-and-policies</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>



	Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):]  ... how our internal audit function is structured and what role it performs:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]  ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.thinkchildcare.com.au/about/corporate-governance-and-policies">http://www.thinkchildcare.com.au/about/corporate-governance-and-policies</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> in the Company's Annual Report at <a href="http://www.thinkchildcare.com.au/investors">http://www.thinkchildcare.com.au/investors</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>



# Corporate Governance Statement

26 February 2020

The Corporate Governance Statement of Think Childcare Group and its subsidiaries (referred to hereafter as the 'Group' or 'Think') has been approved by the Board of Directors of Think Childcare Limited ACN 600 793 388 (**TNK**) and by the Board of Directors of Think Childcare Development Limited ACN 635 178 166 (**TND**) (the **Boards**).

The Group has adopted the Fourth Edition of the ASX Corporate Governance Principles and Recommendations.

Principles/Recommendations	Compliance by Think
<p><b>Principle 1: Lay solid foundations for management and oversight</b></p> <p><i>A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated.</i></p>	
<p><b>Recommendation 1.1</b></p> <p>A listed entity should disclose:</p> <ul style="list-style-type: none"> <li>a) the respective roles and responsibilities of its board and management; and</li> <li>b) those matters expressly reserved to the board and those delegated to management.</li> </ul>	<p>In accordance with the Board Charters of TNK and TND (<b>Board Charters</b>), the Boards have reserved to themselves the following specific responsibilities:</p> <ul style="list-style-type: none"> <li>• providing leadership and setting the strategic objectives of the Group and overseeing management's implementation of those strategic objectives and performance generally;</li> <li>• appointing the chair;</li> <li>• appointing and when necessary replacing the Chief Executive Officer ('CEO');</li> <li>• approving the appointment and termination of senior executives;</li> <li>• through the chair, overseeing the role of the company secretary;</li> <li>• approving strategic and operating budgets and major capital expenditure;</li> </ul>



## Think Childcare Group

Think Childcare Limited ABN 81 600 793 388  
 Think Childcare Development Limited ABN 55 635 178 166

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 (PO Box 465, Drummoyne NSW 1470)

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Principles/Recommendations	Compliance by Think
	<ul style="list-style-type: none"> <li>• overseeing the integrity of the Group’s accounting and corporate reporting systems (including external audit);</li> <li>• overseeing Group’s process for making timely and balanced disclosure;</li> <li>• ensuring the Group has in place an appropriate risk management framework and setting the risk appetite within which the Boards expect management to operate;</li> <li>• approving the Group’s remuneration framework; and</li> <li>• monitoring the effectiveness of the Group’s governance practices.</li> </ul> <p>The Board of TNK has delegated to the CEO and the executive team the authority to manage the day to day affairs of the Group and authority to control the affairs of the Group in relation to all matters other than those responsibilities reserved to itself in TNK and TND’s respective Board Charters.</p> <p>The Board Charters are available on the Group’s website.</p>
<p><b>Recommendation 1.2</b></p> <p>A listed entity should:</p> <ol style="list-style-type: none"> <li>a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election as a director; and</li> <li>b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</li> </ol>	<p>Each Board intends for appropriate checks to be undertaken in relation to potential Board candidates. Any material information concerning a Board candidate will subsequently be disclosed to Group security holders as part of the election or re-election process of that Board candidate.</p>
<p><b>Recommendation 1.3</b></p> <p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>All Group directors and senior executives have entered into written appointment agreements with the relevant Group company.</p> <p>Specifically:</p>

Principles/Recommendations	Compliance by Think
	<ul style="list-style-type: none"> <li>• the non-executive directors have each executed a letter of appointment setting out the terms and conditions of their appointment;</li> <li>• the executive directors and senior executives of the Group have entered into employment contracts, setting out the terms and conditions of their employment; and</li> <li>• in addition, each director has executed an agreement with the relevant Group company pursuant to the requirements of ASX Listing Rule 3.19B.</li> </ul>
<p><b>Recommendation 1.4</b></p> <p>The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	<p>As set out in the Board Charters, the company secretary of each of TNK and TND is accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.</p> <p>The company secretary is responsible for:</p> <ul style="list-style-type: none"> <li>• advising the Board and its committees on governance matters;</li> <li>• monitoring the Board and committee policy and procedures are followed;</li> <li>• advising the Board of upcoming reporting timelines within a reasonable timeframe;</li> <li>• coordinating the timely completion and dispatch of Board and committee papers;</li> <li>• ensuring the business at Board and committee meetings is accurately captured in the minutes; and</li> <li>• helping to organise and facilitate the induction and professional development of directors and the company secretary.</li> </ul>
<p><b>Recommendation 1.5</b></p> <p>A listed entity should:</p> <p>a) have and disclose a diversity policy;</p>	<p>Think has a Diversity Policy in place although this does not require setting measurable</p>

Principles/Recommendations	Compliance by Think																																								
<p>b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>c) disclose in relation to each reporting period:</p> <ol style="list-style-type: none"> <li>1) the measurable objectives set for that period to achieve gender diversity;</li> <li>2) the entity's progress towards achieving those objectives; and</li> <li>3) either:               <ol style="list-style-type: none"> <li>a. the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</li> <li>b. if the entity is a 'relevant employer' under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</li> </ol> </li> </ol>	<p>objectives for achieving gender diversity as the existing management team is stable and experienced, including both men and women, and all decisions about appointments, recruitment and promotion will be made on merit in the best interests of the relevant Group company.</p> <p>The Think Diversity Policy states that Think is committed to ensuring a diverse work environment in which everyone is treated fairly and with respect and where everyone feels responsible for the reputation and performance of Think.</p> <p>1) As at 31 December 2019 TNK had the following proportions of women :</p> <table border="1" data-bbox="794 1021 1409 1211"> <thead> <tr> <th></th> <th>Total</th> <th>Women</th> <th>Men</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Board</td> <td>4</td> <td>1</td> <td>3</td> <td>25%</td> </tr> <tr> <td>Senior management</td> <td>26</td> <td>22</td> <td>4</td> <td>85%</td> </tr> <tr> <td>Whole organisation*</td> <td>1914</td> <td>1867</td> <td>47</td> <td>98%</td> </tr> </tbody> </table> <p>As at 31 December 2019 TND had the following proportions of women:</p> <table border="1" data-bbox="794 1312 1409 1503"> <thead> <tr> <th></th> <th>Total</th> <th>Women</th> <th>Men</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Board</td> <td>4</td> <td>0</td> <td>4</td> <td>0%</td> </tr> <tr> <td>Senior management</td> <td>0</td> <td>0</td> <td>0</td> <td>0%</td> </tr> <tr> <td>Whole organisation*</td> <td>27</td> <td>27</td> <td>0</td> <td>100%</td> </tr> </tbody> </table> <p>* Includes Senior Management (excluding Board members)</p> <p>2) TNK's most recent "Gender Equality Indicators" are available on the Group's website.</p> <p>3) It is expected that TND's "Gender Equality Indicators" will be available on the Group's website in May 2020.</p>		Total	Women	Men	%	Board	4	1	3	25%	Senior management	26	22	4	85%	Whole organisation*	1914	1867	47	98%		Total	Women	Men	%	Board	4	0	4	0%	Senior management	0	0	0	0%	Whole organisation*	27	27	0	100%
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<p><b>Recommendation 1.6</b></p> <p>A listed entity should:</p> <ol style="list-style-type: none"> <li>a) have and disclose a process for periodically evaluating the performance of the board, its</li> </ol>	<p>In accordance with the Board Charters, each director's performance will be assessed annually. The Board (excluding the chair), will conduct the review of the chair.</p>																																								

Principles/Recommendations	Compliance by Think
<p>committees and individual directors; and</p> <p>b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>In addition, the Audit, Risk &amp; Compliance Committee Charter sets out when such reviews are to take place with respect to each Committee. Think currently intends to disclose, at the relevant time, whether such a performance evaluation was undertaken in the relevant reporting period.</p>
<p><b>Recommendation 1.7</b></p> <p>A listed entity should:</p> <p>a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>The evaluation of the entity's senior executives' performance will be considered by the Chief Executive Officer (CEO). The CEO is responsible for ensuring that senior executive evaluations take place on a regular basis.</p> <p>Think currently intends to disclose, at the relevant time, whether a performance evaluation of senior executives was undertaken in the relevant reporting period.</p>
<p><b>Principle 2: Structure the board to be effective and add value</b></p> <p><i>The board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.</i></p>	
<p><b>Recommendation 2.1</b></p> <p>The board of a listed entity should:</p> <p>a) have a nomination committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director;</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual</li> </ol>	<p>Due to the small size of the Boards of TNK and TND and the Group's current level of operations, Think does not have a separate Nomination Committee. All matters usually reserved for a Nomination Committee are to be undertaken by the Boards of TNK and TND (as applicable, respectively). Where such matters relate to the performance of executive directors, these matters will be considered by the independent, non-executive director, being Mark Kerr.</p>



Principles/Recommendations	Compliance by Think
<p>attendances of the members at those meetings; or</p> <p>b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	
<p><b>Recommendation 2.2</b></p> <p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>Attached to this statement at Annexure A is the Group's board skills matrix setting out the mix of skills and diversity that the Boards of TNK and TND currently have.</p> <p>As set out in the Board Charters, Think will seek to have directors with an appropriate range of skills, experience and expertise and an understanding of and competence to deal with current and emerging issues of the business.</p>
<p><b>Recommendation 2.3</b></p> <p>A listed entity should disclose:</p> <p>a) the names of the directors considered by the board to be independent directors;</p> <p>b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>c) the length of service of each director.</p>	<p>Mark Kerr, Joe Dicks and Evonne Collier are considered by the Board of TNK to be independent.</p> <p>Mark Kerr, Joe Dicks and Michael Doble are considered by the Board of TND to be independent.</p> <p>Refer to 'Information on directors' section of the directors' report of the Group's annual report for the skills and relevant experience of each director.</p> <p>The respective Boards of TNK and TND will regularly assess the independence of each director in light of the interests disclosed by them. That assessment will be made at least annually at, or around the time, that the Board considers candidates for election to the Board, and each independent director is required to provide the Board with all relevant information for this purpose.</p>

Principles/Recommendations	Compliance by Think																				
	<p>If the Board determines that a director's independent status has changed, that determination will be disclosed to the market in a timely fashion.</p> <p>The current directors of TNK and their appointment dates are as follows:</p> <table data-bbox="805 622 1428 790"> <thead> <tr> <th>Director</th> <th>Appointment date</th> </tr> </thead> <tbody> <tr> <td>Mark Kerr</td> <td>21 July 2014</td> </tr> <tr> <td>Mathew Edwards</td> <td>21 July 2014</td> </tr> <tr> <td>Evonne Collier</td> <td>6 April 2018</td> </tr> <tr> <td>Joe Dicks</td> <td>6 April 2018</td> </tr> </tbody> </table> <p>The current directors of TND and their appointment dates are as follows:</p> <table data-bbox="805 958 1428 1126"> <thead> <tr> <th>Director</th> <th>Appointment date</th> </tr> </thead> <tbody> <tr> <td>Mark Kerr</td> <td>29 July 2019</td> </tr> <tr> <td>Mathew Edwards</td> <td>29 July 2019</td> </tr> <tr> <td>Joe Dicks</td> <td>29 July 2019</td> </tr> <tr> <td>Michael Doble</td> <td>14 October 2019</td> </tr> </tbody> </table>	Director	Appointment date	Mark Kerr	21 July 2014	Mathew Edwards	21 July 2014	Evonne Collier	6 April 2018	Joe Dicks	6 April 2018	Director	Appointment date	Mark Kerr	29 July 2019	Mathew Edwards	29 July 2019	Joe Dicks	29 July 2019	Michael Doble	14 October 2019
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<p><b>Recommendation 2.4</b></p> <p>A majority of the board of a listed entity should be independent directors.</p>	<p>In accordance with the Board Charters, there must be a minimum of three directors of each of TNK and TND with a majority of each Board being independent non-executive directors.</p> <p>The Board of TNK presently consists of three independent and one non-independent director. Out of the TNK Board members, Mark Kerr, Joe Dicks and Evonne Collier are considered to be independent directors; are not a member of management and are free of any business or other relationship that could materially interfere with, or could reasonably be perceived to interfere with, the independent exercise of their judgement.</p> <p>The Board of TND presently consists of three independent and one non-independent director. Out of the TND Board members, Mark Kerr, Joe Dicks and Michael Doble are considered to be independent directors; are not a member of management and are free of any business or other relationship that could materially interfere with, or could reasonably be perceived to</p>																				

Principles/Recommendations	Compliance by Think
	<p>interfere with, the independent exercise of their judgement.</p> <p>Mark Kerr, Joe Dicks, Evonne Collier and Michael Doble each holds less than five per cent of share capital in the Group and has not worked in an executive capacity for the Group or an associated company for at least three years.</p>
<p><b>Recommendation 2.5</b></p> <p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p>The chair of the Boards of both TNK and TND is Mark Kerr, who is an independent, non-executive director.</p> <p>The CEO of TNK is Mathew Edwards.</p> <p>At the date of this Corporate Governance Statement, TND does not have an appointed CEO.</p>
<p><b>Recommendation 2.6</b></p> <p>A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</p>	<p>In accordance with the Board Charters, the directors of both TNK and TND will be expected to participate in any induction or orientation programs on appointment, and any continuing education or training arranged for them.</p> <p>The company secretary will help to organise and facilitate the induction and professional development of directors.</p>
<p><b>Principle 3: Instil a culture of acting lawfully, ethically and responsibly</b></p> <p><i>A listed entity should instil and continually reinforce a culture across the organization of acting lawfully, ethically and responsibly.</i></p>	
<p><b>Recommendation 3.1</b></p> <p>A listed entity should articulate and disclose its values.</p>	<p>The Group's values are included in its Code of Conduct which is available on the Group's website.</p>
<p><b>Recommendation 3.2</b></p> <p>A listed entity should:</p>	<p>The Group has adopted a Code of Conduct which sets out the values, commitments, ethical standards and policies of the Group and outlines the standards of conduct expected of</p>

Principles/Recommendations	Compliance by Think
<ul style="list-style-type: none"> <li>a) have and disclose a code of conduct for its directors, senior executives and employees; and</li> <li>b) ensure that the board or a committee of the board is informed of any material breaches of that code.</li> </ul>	<p>the Group's business and people, taking into account the Group's legal and other obligations to its stakeholders.</p> <p>The Code of Conduct applies to all directors, as well as all officers, employees, contractors, consultants, other persons that act on behalf of Think, and associates of Think.</p> <p>The Code of Conduct is available on the Group's website.</p>
<p><b>Recommendation 3.3</b></p> <p>A listed entity should:</p> <ul style="list-style-type: none"> <li>a) have and disclose a whistleblower policy; and</li> <li>b) ensure that the board or a committee of the board is informed of any material incidents reported under the policy.</li> </ul>	<p>The Group's whistleblower policy is available on the Group's website.</p> <p>The Audit, Risk &amp; Compliance Committee will receive reports from management under the Group's whistleblower policy and oversee related investigations.</p>
<p><b>Recommendation 3.4</b></p> <p>A listed entity should:</p> <ul style="list-style-type: none"> <li>a) have and disclose an anti-bribery and corruption policy; and</li> <li>b) ensure that the board or a committee of the board is informed of any material incidents reported under the policy.</li> </ul>	<p>The Group's Anti-Bribery, Fraud and Corruption policy is available on the Group's website.</p> <p>The Audit, Risk &amp; Compliance Committee will receive reports from management under the Group's anti-bribery and corruption policy and oversee related investigations.</p>
<p><b>Principle 4: Safeguard integrity of corporate reports</b></p> <p><i>A listed entity should have appropriate processes to verify the integrity of its corporate reports.</i></p>	
<p><b>Recommendation 4.1</b></p> <p>The board of a listed entity should:</p> <ul style="list-style-type: none"> <li>a) have an audit committee which: <ul style="list-style-type: none"> <li>1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director, who is not the chair of the board,</li> </ul> </li> </ul>	<p>TNK has an established Audit, Risk &amp; Compliance Committee. This Committee is responsible for, amongst other things, appointing Think's external auditors and overseeing the integrity of the Think's financial reporting systems and financial statements.</p> <p>The Committee currently comprises three members, Joe Dicks who has assumed the role of chair of the Committee, non-executive director Mark Kerr and Evonne Collier all of</p>

Principles/Recommendations	Compliance by Think
<p>and disclose:</p> <ol style="list-style-type: none"> <li>3) the charter of the committee;</li> <li>4) the relevant qualifications and experience of the members of the committee; and</li> <li>5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ol> <p>b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>whom are non-executive and independent directors.</p> <p>The Audit, Risk &amp; Compliance Committee Charter is available on the Group's website.</p> <p>The relevant qualifications and experience of the chair and members of the Committee have been disclosed in the 'Information of directors' section of the directors' report.</p> <p>Think currently intends that it will disclose, at the relevant time, the number of times the Committee met, and the attendance at those meetings, at the end of each relevant reporting period. Refer to 'Meeting of directors' section of the directors' report of the annual report.</p>
<p><b>Recommendation 4.2</b></p> <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>The Group has a process to receive written assurances from the CEO and CFO of TNK that the declarations that will be provided under section 295A of the <i>Corporations Act 2001</i> (Cth) are founded on a system of risk management and internal control and that the system is operating in all material respects in relation to financial reporting risks.</p> <p>The Boards of TNK and TND will seek these assurances prior to approving the annual financial statements for all half year and full year results that follow.</p>
<p><b>Recommendation 4.3</b></p> <p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p>In accordance with the Audit, Risk &amp; Compliance Committee Charter, the Audit, Risk &amp; Compliance Committee is responsible for reporting to the Boards of TNK and TND on the TNK's process to verify the integrity of any periodic corporate report the Group releases to</p>

Principles/Recommendations	Compliance by Think
	<p>the market that is not audited or reviewed by an external auditor.</p> <p>In accordance with the Group Securityholder Communications Policy, the external auditor will attend the AGM and be available to answer questions about the conduct of the audit and the preparation and content of the auditor's report.</p>
<p><b>Principle 5: Make timely and balanced disclosure</b></p> <p><i>A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.</i></p>	
<p><b>Recommendation 5.1</b></p> <p>A listed entity should have and disclose a written policy for complying with its continuous obligations under ASX Listing Rule 3.1.</p>	<p>The Group has adopted a Continuous Disclosure and Shareholder Communications Policy to ensure that the Group complies with its continuous disclosure obligations under the <i>Corporations Act 2001 (Cth)</i> (<b>Corporations Act</b>) and the ASX Listing Rules.</p>
<p><b>Recommendation 5.2</b></p> <p>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	<p>The Group's Continuous Disclosure and Shareholder Communications Policy requires that directors receive copies of all market announcements promptly after they have been made.</p>
<p><b>Recommendation 5.3</b></p> <p>A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.</p>	<p>The Group has adopted a Securityholder Communication Policy which requires that before a new or substantive presentation to analysts or institutional investors, the presentation materials will be released to ASX and posted on the Group's website, regardless of whether the presentation contains material new information required to be disclosed under ASX Listing Rule 3.1.</p>
<p><b>Principle 6: Respect the rights of security holders</b></p> <p><i>A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.</i></p>	
<p><b>Recommendation 6.1</b></p> <p>A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>Information concerning the Group and its governance practices is available on the company's website.</p>

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<p><b>Recommendation 6.2</b></p> <p>A listed entity should have an investor relations program that facilitates effective two-way communication with investors.</p>	<p>The Board has adopted Continuous Disclosure and Shareholder Communications Policies which supports its commitment to effective communication with its security holders. In addition, Think intends to communicate with its security holders:</p> <ul style="list-style-type: none"> <li>• by making timely market announcements;</li> <li>• by posting relevant information on to its website;</li> <li>• by inviting security holders to make direct inquiries to Think; and</li> </ul> <p>through the use of general meetings.</p>
<p><b>Recommendation 6.3</b></p> <p>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</p>	<p>Think security holders are encouraged to attend general meetings, and notice of such meetings will be given in accordance with the Think Constitution, the Corporations Act and the ASX Listing Rules.</p> <p>As set out in the Think constitution, security holders may:</p> <ul style="list-style-type: none"> <li>• attend meetings in person;</li> <li>• appoint a proxy, attorney or representative to vote on their behalf; or</li> <li>• at the directors' determination, directly vote on the resolution(s) proposed at the relevant meeting.</li> </ul>
<p><b>Recommendation 6.4</b></p> <p>A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</p>	<p>According to the Constitutions of TNK and TND, every resolution submitted to the meeting may be determined by a poll where a poll is demanded by the chair is otherwise required by the Corporations Act.</p>
<p><b>Recommendation 6.5</b></p> <p>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	<p>Think security holders may elect to receive information from Think and its registry electronically. Otherwise, Think and its registry will communicate by post with shareholders who</p>



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	have not elected to receive information electronically.
<p><b>Principle 7: Recognise and manage risk</b></p> <p><i>A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.</i></p>	
<p><b>Recommendation 7.1</b></p> <p>The board of a listed entity should:</p> <ul style="list-style-type: none"> <li>a) have a committee or committees to oversee risk, each of which: <ul style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director, and disclose: <ul style="list-style-type: none"> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> </li> </ul> </li> <li>b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</li> </ul>	<p>The Board of TNK has established an Audit, Risk &amp; Compliance Committee to, amongst other things, ensure Think has an effective risk management system in place and to manage key risk areas.</p> <p>As mentioned above, the Audit, Risk &amp; Compliance Committee currently comprises three members, being independent, non-executive directors, Mark Kerr, Joe Dicks and Evonne Collier.</p> <p>The chair of the Audit, Risk &amp; Compliance Committee is Joe Dicks, who is an independent director.</p> <p>Think currently intends that it will disclose, at the relevant time, the number of times the Audit, Risk &amp; Compliance Committee met, and the attendance at those meetings, at the end of each reporting period. Refer to 'Meeting of directors' section of the directors' report of the annual report.</p> <p>The Audit, Risk &amp; Compliance Committee Charter is available on the Group's website.</p>
<p><b>Recommendation 7.2</b></p> <p>The board or a committee of the board should:</p> <ul style="list-style-type: none"> <li>a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</li> </ul>	<p>In accordance with the Board Charters, the Boards of TNK and TND will ensure that Think has in place an appropriate risk management framework and will set the appetite within which the respective Boards expect management to operate.</p> <p>Further, the Audit, Risk &amp; Compliance Committee Charter provides that the Audit, Risk</p>



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<p>b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>&amp; Compliance Committee will, among other things, regularly review and update the risk profile and ensure that Think has an effective risk management system.</p> <p>As part of this process, the TNK Board will review, at least annually, Think's risk management framework in order to satisfy itself that it continues to be sound.</p>
<p><b>Recommendation 7.3</b></p> <p>A listed entity should disclose:</p> <p>a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>Think does not at this time, have an internal audit function. However, as set out in the Audit, Risk &amp; Compliance Committee Charter, the Audit, Risk &amp; Compliance Committee has responsibility to ensure that Think has appropriate internal audit systems and controls in place, and for overseeing the effectiveness of these internal controls. The Audit, Risk &amp; Compliance Committee is also responsible for conducting investigations of breaches or potential breaches of these internal controls.</p> <p>In addition, the Audit, Risk &amp; Compliance Committee is responsible for preparing a risk profile which describes the material risks facing Think, regularly reviewing and updating this risk profile, and assessing and ensuring that there are internal controls in place for determining and managing key risks.</p>
<p><b>Recommendation 7.4</b></p> <p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	<p>As set out in Think's IPO Prospectus and in Think's Explanatory Booklet dated 31 October 2019, the Group is subject to risk factors that are both specific to its business activities and that are of a more general nature. Specific risks disclosure is included in section 5 of the IPO Prospectus and section 7 of the Explanatory Booklet dated 31 October 2019 available on the Group's website.</p>
<p><b>Principle 8: Remunerate fairly and responsibly</b></p> <p><i>A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.</i></p>	

Principles/Recommendations	Compliance by Think
<p><b>Recommendation 8.1</b></p> <p>The board of a listed entity should:</p> <p>a) have a remuneration committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director, and disclose:</li> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ol> <p>b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>Following the appointment of non-executive directors Joe Dicks and Evonne Collier in April 2018, the Human Resources &amp; Remuneration Committee was established on 26 July 2018 which (at the time of establishment) comprised two members being independent directors, Evonne Collier and Mark Kerr.</p> <p>Evonne Collier has assumed the role of chair of the Committee, which currently has three members being independent, non-executive director, Mark Kerr, Evonne Collier and Joe Dicks (from 29 January 2019).</p> <p>The Committee is responsible for developing, reviewing and making recommendations on:</p> <ul style="list-style-type: none"> <li>• Think’s remuneration framework for directors, including the process by which any pool of directors fees approved by security holders is allocated to directors;</li> <li>• the remuneration packages to be awarded to senior executives;</li> <li>• equity based remuneration plans for senior executives and other employees; and</li> <li>• superannuation arrangements for directors, senior executives and other employees.</li> </ul> <p>The Human Resources &amp; Remuneration Charter is available on the Group’s website.</p> <p>The relevant qualifications and experience of chair and members of the committee have been disclosed in the ‘Information of directors’ section of the directors’ report.</p>
<p><b>Recommendation 8.2</b></p> <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>The policies regarding remuneration of non-executive directors and the remuneration and employment arrangements of executive directors is disclosed in the Annual Report for the year ended 31 December 2019 and section 12 of the Explanatory Booklet dated 31 October 2019.</p>



Principles/Recommendations	Compliance by Think
<p><b>Recommendation 8.3</b></p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <ul style="list-style-type: none"> <li>a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</li> <li>b) disclose that policy or a summary of it.</li> </ul>	<p>Under the Group's Securities Trading Policy, certain designated persons are prohibited from entering into transactions or arrangements with anyone which could have the effect of limiting their exposure to risk relating to an element of their remuneration that:</p> <ul style="list-style-type: none"> <li>• has not vested; or</li> <li>• has vested but remains subject to a holding lock.</li> </ul> <p>In addition, Think has a policy relating to certain designated persons prohibiting entering into margin lending arrangements relating to Think's shares, prohibiting short term or speculative trading in Think's shares or in financial products associated with Think's securities and prohibiting dealing in financial products associated with Think's securities.</p> <p>The Group's Securities Trading Policy is available on the company's website.</p>

The company's policies and governance documentation are available on the Think website at <http://www.thinkchildcare.com.au/about/corporate-governance-and-policies>.

## **BOARD SKILLS MATRIX**

(as at 26 February 2020)



The Board skills matrix below represents some of the key skills that our Board has identified as particularly valuable to the effective oversight of the Company and the execution of our strategy. This matrix highlights the depth and breadth of skills on the Board.

	<b><u>M. Edwards</u></b>	<b><u>J. Dicks</u></b>	<b><u>E. Collier</u></b>	<b><u>M. Kerr</u></b>	<b><u>M. Doble</u></b>
	Executive Director of TNK and Non-Executive Director of TND	Non-Executive Director of TNK of TND	Non-Executive Director of TNK	Chairman and Non-Executive Director of TNK and TND	Non-Executive Director of TND
<b><u>Industry Knowledge, Skills and Experience</u></b>					
Board of Directors Experience	x	x	x	x	x
Public Company Board Experience	x	x	x	x	
Specific Childcare Industry Experience	x			x	
Specific Property Investment Industry Experience					x
Knowledge of sector	x			x	
Governance Experience		x	x	x	x
Knowledge or broad public policy direction	x	x	x	x	x
Understanding of government legislative process	x	x	x	x	x
<b><u>Technical Knowledge, Skills and Experience</u></b>					
Accounting		x		x	
Finance		x	x		x
Law				x	
Marketing			x	x	x
Information Technology	x		x		
Public Relations			x	x	
Risk Management		x			x
Human Resource Management			x	x	
CEO/Senior Management	x		x	x	x
Strategy Development and Implementation	x	x	x	x	x
<b><u>Demographic Background</u></b>					
Board Tenure (No. of years)	30	18	9	37	5
Gender (Male/Female)	Male	Male	Female	Male	Male

TNK - Think Childcare Limited

TND - Think Childcare Development Limited