

**ASX Limited**

**Market Announcement**

**Think Childcare and Education Limited (ASX Code: TNK) – Charters and Policies**

**14 April 2015**, Attached for release to the market is the following portfolio of Charters and Policies as reviewed and formally adopted by the Board of Directors on 27 March 2015 as part of the Company's ongoing Corporate Governance and Compliance objectives.

**Charters and Policies**

1. Code of Conduct
2. Board Charter
3. Corporate Governance Statement
4. Audit and Risk Committee Charter
5. Continuous Disclosure Policy
6. Diversity Policy
7. Shareholder Communications Policy
8. Fraud and Corruption Policy
9. Securities Trading Policy
10. Privacy Policy

These Charters and Policies are subject to ongoing review and, where necessary, updating.

**Website**

The Company's website is currently being revised and upgraded – once completed the above Charters and Policies will be displayed under the Corporate Governance section.

**END**

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## Think Childcare and Education Limited ACN 600 793 388

### Policies

1.	Code of Conduct
2.	Board Charter
3.	Corporate Governance Statement
4.	Audit and Risk Committee Charter
5.	Continuous Disclosure Policy
6.	Diversity Policy
7.	Shareholder Communications Policy
8.	Fraud and Corruption Policy
9.	Securities Trading Policy
10.	Privacy Policy

## Code of Conduct

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### 1. Introduction

Think Childcare and Education Limited ACN 600 793 388 ("**Think**" or "**The Company**") is committed to acting as a good corporate citizen while it pursues its business objectives. In order to achieve this, it is important that every employee conduct themselves with the highest ethical standards. This code of conduct ("**Code**") is not intended to be exhaustive, but sets out the minimum ethical standards expected of all employees of The Company as well as The Company's contractors, sub-contractors, agents and other personnel required to perform functions on any premises of The Company in a number of areas.

### 2. Application

This Code applies to all The Company's employees, including all Directors and the Managing Director ("**MD**") / CEO ("**Employees**"). The Company also requires contractors, sub-contractors, agents and other personnel required to perform work on The Company's premises to adhere to this Code, and for the purposes of interpretations of this Code, such persons will be deemed to be Employees.

### 3. Purpose

As well as assisting to discharge the legal and equitable duties owed by Employees, the purpose of this Code is to:

- articulate the high standards of honesty, integrity and ethical, responsible and law-abiding behaviour expected of Employees;
- demonstrate the commitment of The Company and its Directors and senior executives to, and to encourage the observance of those standards, to protect and promote the interests, and take into account the reasonable expectations, of The Company's shareholders and other stakeholders (including employees, customers, suppliers, creditors, consumers and the broader community);
- guide Employees as to the practices necessary to maintain confidence in The Company's integrity and comply with their legal obligations; and
- set out the responsibility and accountability of Employees to report and investigate any reported violations of this code or unethical or unlawful behaviour.

While this code of conduct is designed to ensure The Company delivers on its commitment to acting ethically and responsibly and to sustainable business practice, it does not create any rights in any employee, client, customer, supplier, competitor, shareholder or any other person or entity.

### 4. Honesty and Integrity

The Company's reputation as a good corporate citizen can only be achieved and maintained if Employees act with honesty and integrity in all our dealings with The Company's business partners, customers, suppliers, communities, government authorities, as well as work colleagues. Each Employee and Director must:

- act honestly and fairly in all commercial dealings and conduct themselves with professional courtesy and integrity;
- perform their responsibilities with care, diligence and good faith;
- respect all people they have dealings with; and
- report any possible dishonest or fraudulent behaviour of which they become aware in accordance with this Code.

## 5. Conflicts of Interest

Employees must avoid entering into situations where their personal, family or financial interests or duties to any third party may be in conflict with, or could reasonably be perceived to be in conflict with, the interests of The Company or their duties and responsibilities to The Company.

Employees may have a conflict of interest if the in the course of their employment or engagement with The Company:

- any of their decisions lead to an improper gain or benefit to them or their associates; or
- their personal interests, the interests of an associate or relative, or obligation to some other person or entity, conflict with their obligations to The Company.

Where any such conflict arises, as soon as reasonably practicable upon becoming aware of the conflict, the relevant employee or Director ("**Notifying Party**") must make appropriate notifications:

- in the case of employees, notification must be made to their immediate manager in the first instance, who will determine the appropriate action to take (if necessary in consultation with a member of senior management); and
- in the case of a Director, notification must be made to the Chairman (and in the case of the Chairman, to the other independent Directors) who will determine the appropriate action to take and in accordance with The Company's constitution.

## 6. Personal Gains, Gifts and Other Payments

Employees must not accept payments, gifts or other kinds of reimbursement from a third party that could affect or appear to affect their objectivity in business decisions or which may be seen as excessive beyond socially acceptable boundaries.

Employees must not improperly use their position, property or information acquired through their position for personal gain or the gain of an associate, or to compete with or harm The Company, and must keep their personal or external business dealings separate from The Company's business dealings. Employees must only use goods, services and facilities received from The Company in accordance with the terms on which they are given.

In addition, Employees must not accept commissions or payments which may be seen as constituting bribery or fraud, or participate in corrupt business practices and must comply with the Fraud and Corruption Policy.

## 7. Professionalism and the Work Environment

In addition to acting ethically, The Company seeks to continually improve the quality of the work of its Employees and their work environment. To achieve this, Employees must:

- attend for work as required and on time in accordance with their ordinary working hours and days unless absent with reasonable excuse;
- ensure that their appearance is neat, clean and appropriate for their particular area of work;
- strive to deliver exceptional work and service to The Company's customers;
- treat work colleagues with respect, and do not discriminate on the grounds of a person's race, gender, religion, marital status, sexual preferences, disability or other attribute recognised by relevant State and Federal Discrimination legislation;
- not tolerate or participate in harassment, including sexual harassment or offensive language, or any form of bullying or victimisation;
- not attend for work and/or perform any work task if they are under the influence of alcohol or drugs; and
- cooperate with others in the workplace to create a safe and healthy workplace in accordance with any applicable OHS Policy.

## 8. Respect for Human Rights

The Company supports and respects the protection of human rights within its sphere of influence, in particular, supports effective elimination of compulsory labour and child labour, and it will make this a criteria in the choice and management of its relationships with suppliers and sub-contractors.

## 9. Community Relations

The Company is committed to making a positive social contribution to the communities in which it operates. The Company is also committed to embracing diversity as set out in the ***Diversity Policy***.

## 10. Safety

The Company is committed to providing and maintaining a safe work environment. It is the responsibility of each employee and Director to familiarise themselves with, and adhere to, ***each Occupational Health and Safety Policy*** that is applicable to their field of employment within The Company.

## 11. Fair dealing

The Company is committed to ensuring it does not engage in behaviour, or allow or ignore behaviour by others that violates the principles and the laws of fair competition including those set out in the *Competition and Consumer Act 2010* (Cth) and the *Fair Trading Act* (NZ). Fair competition means that The Company competes on the basis of customer service and products

rather than by obstructing competitive conduct and that The Company only uses its strength in legitimate ways. As a general rule:

- Employees must not make deals with The Company's competitors about how The Company competes;
- Employees must not discuss, exchange information or make arrangements with competitors on matters such as pricing or pricing policies (past, present or future), marketing approaches, promotions, profits, costs, terms and conditions of sale, choice by customers, territories, or engage in the limiting of production of, or boycotting of, a competitor, distributor or customer;
- Employees must not use The Company's position to limit or exclude a third party from competing with The Company;
- Employees must be fair in their dealings with competitors and must not be insulting about The Company's competitor's products or services; and
- Employees must not make any false or misleading statements in the course of recruiting or promoting new staff.

## 12. Insider Trading

Employees should be aware that they may from time to time be in possession of price sensitive information relating to The Company and its share value that is not generally available to the wider market, and accordingly must ensure that they comply at all times with the **Securities Trading Policy**.

## 13. Communications and Privacy of Data

The Company is committed to open and transparent communications within the confines of confidentiality and privacy. Employees must respect the privacy of information relating to individual persons (whether employees or third parties) which they hold or handle as part of any information processing activities. Employees must not, without proper authority, access, modify, disclose, or make use of any confidential, commercial and/or personal information for any purpose other than for authorised and necessary work purposes and must ensure they familiarise themselves with, and comply with the privacy laws of Australia (or where applicable, the jurisdiction of their business unit).

Employees must otherwise deal with such information in accordance with The Company's Privacy Policy.

## 14. Confidentiality

Any information acquired by Employees while performing their duties is confidential information of The Company, its customers or suppliers and must be kept confidential. Directors must not disclose the information to a third party except where that disclosure is:

- authorised by the Board of Directors ("**Board**"); or
- required by law or a regulatory body (including a relevant Stock Exchange).

The existence and details of any Board and company management information, discussions, and decisions that are not publicly known and have not been approved by the Board for public release, are confidential information of The Company and subject to this Code.

Employees' obligations of confidentiality continue after they leave The Company.

#### **15. Compliance with the Law and Company Policies**

The Company respects the law and is committed to the adherence to all applicable laws and regulations and to not breaching any applicable law or regulation. Each Director and employee must comply with the letter and spirit of any applicable law, this Code and any applicable policies and guidelines of The Company and not knowingly participate in any illegal or unethical activity.

#### **16. Breach of this Code**

The Company emphasises the need for all Employees to comply with the requirements of this Code. Any Employee found to be in breach of the requirements of this Guideline may be subject to disciplinary action, up to and including termination of employment. Employees should refer to the Performance Counselling and Disciplinary Guidelines for further information on disciplinary action.

This Code is a best practice procedure and does not create any binding obligations on The Company or contractual rights for Employees. The Company may vary the Code from time to time at its discretion.

#### **17. Reporting of unlawful and unethical behaviour**

The Company expects Employees to report (in good faith) any actual or suspected violation of this Code of Conduct, any of The Company's policies or any behaviour that is illegal, unethical, fraudulent or deceptive by Employees ("**Reportable Behaviour**") and to encourage others to do the same.

Employees may use their own judgment in deciding to whom to report any Reportable Behaviour, however Directors are encouraged to report to another Director or the Chairperson of the Board and employees are encouraged to their immediate manager or the human resources Manager.

A person to whom a report is made of Reportable Behaviour must ensure:

- that a proper and thorough investigation is conducted;
- that any person the subject of an investigation is given a reasonable chance to respond to allegations (ensuring confidentiality of the reporting person is preserved); and
- that appropriate disciplinary action is taken if the allegation is substantiated.

If an Employee ("**Reporting Person**") reports Reportable Behaviour in good faith, each Employee must ensure:

- that the Reporting Person's position of employment is protected; that their identity is only disclosed with their consent (except where disclosure is required by law); and
- that no disciplinary or discriminatory action is taken or tolerated against the reporting person for reporting the violation

The Reporting Person is not protected from civil or criminal liability for any of his or her conduct that may be revealed by an investigation, however in some cases the fact the Reporting Person has made a report may take into account as a mitigating factor when determining actions that may be taken against him or her.

The *Corporations Act 2001* (Cth) provides additional protections in relation to the reporting of a possible contravention of the Corporations legislation.

**18. Approved and adopted**

This policy was approved and adopted by the Board on 27th March 2015.



## Board Charter

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### 1. Introduction

- 1.1 This is the charter of the board of Directors (“**The Board**”) of Think Childcare and Education Limited ACN 600 793 388 (**Company** and, together with its controlled entities, the **Group**).
- 1.2 The **Board** is responsible for the corporate governance of the Group.
- 1.3 The purpose of this charter is to:
  - (a) promote high standards of corporate governance;
  - (b) clarify the role and responsibilities of the Board; and
  - (c) enable the Board to provide strategic guidance for the Group and effective oversight of the management of the Group (“**Management**”).
- 1.4 This charter is supported by the Group's code of conduct, the charters for the Board's Audit and Risk Committee, and the Group's policies in respect of securities trading, continuous disclosure and diversity, among other things.
- 1.5 To the extent that there is any inconsistency between this charter and the Company's constitution, the constitution will prevail to the extent of that inconsistency.

### 2. Board size, composition and independence

- 2.1 There must be a minimum of four Directors and the current maximum of Directors is eight.
- 2.2 An independent non-executive Director is one who:
  - (a) is independent of Management;
  - (b) is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their unfettered and independent judgment; and
  - (c) otherwise meets the criteria for 'independence' as set out in the *Corporate Governance Principles and Recommendations (3rd edition)* published by the ASX Corporate Governance Council.
- 2.3 The Board should ideally comprise:
  - (a) a majority of independent non-executive Directors (or alternatively where the Board is comprised of an equal number of independent versus and non-independent Directors, the Chairperson (being an independent non-executive Director) should have a casting vote at meetings of the Board);
  - (b) Directors with an appropriate range of skills, experience and expertise;
  - (c) Directors who can understand and competently deal with current and emerging business issues; and

- (d) Directors who can effectively review and challenge the performance of Management and exercise independent judgment.
- 2.4 The Board will regularly assess whether each non-executive Director is independent and each non-executive Director must provide to the Board all information relevant to his or her assessment in this regard. If a Director's independent status changes, it will be immediately disclosed and explained in a timely manner to the market.
- 2.5 Each Director is appointed by way of a formal letter of appointment.

### **3. The Board's role and responsibilities**

- 3.1 The Board must act in the best interests of the Company as a whole and is accountable to the shareholders for the overall direction, management and corporate governance of the Group.
- 3.2 The Board's responsibilities include:
  - (a) overseeing the Group, including providing leadership and setting its strategic objectives;
  - (b) appointing the Chairperson;
  - (c) appointing and removing the Chief Executive Officer of the Group (**CEO**) and approving or ratifying the appointment of other senior executives of the Group, such as the Chief Financial Officer (**CFO**);
  - (d) where appropriate, ratifying organisational changes and approving Management remuneration policies and practices;
  - (e) approving succession plans for Management;
  - (f) monitoring senior executives' performance and implementation of strategy, and ensuring that appropriate resources are available (where this relates to the periodical evaluation of the performance of executive directors, this will be undertaken by the independent directors);
  - (g) approving the proposed annual budget;
  - (h) determining and financing of dividend payments;
  - (i) approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestitures;
  - (j) approving and monitoring corporate, financial and other reporting systems, including external audit, and overseeing their integrity;
  - (k) reviewing and monitoring any related party transaction and recommending its approval;
  - (l) approving and monitoring systems of risk management, accountability, internal compliance and control, and legal compliance to ensure that appropriate compliance frameworks and controls are in place;
  - (m) setting the risk appetite within which the Board expects Management to operate;

- (n) reviewing performance, operations and compliance reports from the CEO and CFO, including reports and updates on strategic issues and risk management matters;
  - (o) overseeing the Group's process for making timely and balanced disclosure of all material information concerning the Group that a reasonable person would expect to have a material effect on the price or value of the Company's shares;
  - (p) reviewing and overseeing the implementation of the code of conduct for Directors and all other employees;
  - (q) approving the charters of the various Board committees;
  - (r) monitoring and ensuring compliance with all legal and regulatory requirements and ethical standards and policies and otherwise monitoring the effectiveness of the Group's governance practices; and
  - (s) any other responsibilities determined by the Board from time to time.
- 3.3 In carrying out its responsibilities and functions, the Board may delegate any of its powers to a Board committee, a Director or other person, subject to ultimate responsibility residing with the Directors.
- 3.4 The matters specifically reserved for the Board or its committees (as relevant) include:
- (a) appointment of a Chairperson;
  - (b) appointment and removal of the CEO;
  - (c) appointment of a Director to fill a casual vacancy or as an additional Director;
  - (d) establishment of Board committees, their membership and delegated authorities;
  - (e) approval of dividends;
  - (f) review of corporate codes of conduct;
  - (g) approval of major capital expenditure, acquisitions and divestitures in excess of authority levels delegated to Management;
  - (h) calling of meetings of Directors or shareholders; and
  - (i) any other specific matters nominated by the Board from time to time.

#### **4. Board committees**

- 4.1 The Board has established the following committee to assist it in carrying out its responsibilities, to share detailed work and to consider certain issues and functions in detail:
- (a) Audit and Risk committee.
- 4.2 The Charter of each Board committee setting out matters relevant to the composition, responsibilities and administration of the committee must be approved by the Board. Each committee will review its Charter from time to time as appropriate.

## **5. Chairperson**

- 5.1 The Board will appoint one of its members to be Chairperson.
- 5.2 The Chairperson must be an independent non-executive Director.
- 5.3 The Chairperson represents the Board and is responsible for leading the Board, facilitating the effective contribution of all Directors, promoting constructive and respectful relations between Directors and between the Board and Management, and communicating the Board's position to shareholders and the public.

## **6. MD/CEO and executive team**

- 6.1 Responsibility for day-to-day management and administration of the Group is delegated by the Board to the Managing Director ("MD") or CEO and the executive team.
- 6.2 The MD/CEO manages the Group in accordance with the strategy, plans and policies approved by the Board.
- 6.3 The CEO is appointed by the Board.
- 6.4 The responsibilities of the MD/CEO include, among other things:
  - (a) developing and recommending to the Board strategies, business plans and annual budgets for the Group;
  - (b) implementing the strategies, business plans and budgets adopted by the Board;
  - (c) providing effective leadership, direction and supervision of the executive team to achieve the strategies, business plans and budgets adopted by the Board;
  - (d) ensuring compliance with all applicable laws and regulations;
  - (e) ensuring that the Board is given sufficient information in a form, timeframe and quality that will allow it to be effective in performing its functions, setting strategies, monitoring performance and discharging its duties; and
  - (f) acting within authority delegated by the Board.
- 6.5 The Board has in place procedures to assess the performance of the CEO and executive team.

## **7. Non-executive Directors**

The independent non-executive Directors (unless such Director is conflicted with respect to the matter) should consider the benefits of conferring regularly without Management present, including at scheduled sessions or as otherwise required by the circumstances.

## **8. Company secretary**

The company secretary of the Company is directly accountable to the Board through the Chairperson on all matters to do with the proper functioning of the Board.

## **9. Conflicts**

### **9.1 Directors must:**

- (a) disclose to the Board any actual or potential conflict of interest or duty, or matter that may bear on their independence, that might reasonably be thought to exist as soon as the situation arises;
- (b) take all necessary and reasonable action to resolve or avoid any actual or potential conflict of interest or duty; and
- (c) comply with all applicable law and the Company's constitution in relation to disclosing material personal interests and restrictions on voting.

### **9.2 If a conflict exists, it is expected that any Director to whom the conflict relates will recuse himself or herself when the Board is discussing any matter to which the conflict relates.**

### **9.3 Directors are expected to inform the Chairperson of the Board of any proposed appointment to the Board or executive of another company as soon as practicable.**

## **10. Other appointments**

A non-executive Director should inform the Chairperson before accepting any new appointment as a Director of another listed entity, another other material Directorship or other position with a significant time commitment attached.

## **11. Access to information and independent advice by Directors**

### **11.1 Directors have access to any information that they consider necessary to fulfil their responsibilities and to exercise independent judgment when making decisions.**

### **11.2 Directors have access to:**

- (a) Management to seek explanations and information from Management; and
- (b) Auditors to seek explanations and information from them without Management being present.

### **11.3 At the expense of the Company, Directors may seek any independent professional advice that they consider necessary to fulfil their responsibilities and to exercise independent judgment when making decisions in accordance with the procedure agreed by the Directors.**

### **11.4 If the Chairperson of the Board consents, the Company will pay a Director's costs of seeking independent professional advice. That consent may not be unreasonably withheld or delayed.**

### **11.5 Any such advice received will be provided to the whole Board.**

## **12. Size of the Board and Board vacancies**

### **12.1 All Directors are expected to continue as Directors only for so long as they have the confidence of their fellow Board members and the confidence of the Company's shareholders.**

- 12.2 The Board will assess each director's performance at least annually and the Board (excluding the Chairperson) will conduct the review of the Chairperson.
- 12.3 All Directors are expected to participate in any induction or orientation programs on appointment, and any continuing education or training arranged for them.
- 12.4 In accordance with the Company's constitution, no Director except the MD / CEO is permitted to hold office for a continuous period in excess of three years or past the third annual general meeting following that Director's appointment, whichever is the longer, without submitting himself or herself for re-election.

**13. Communication of information**

The Board has adopted a communications strategy to facilitate and promote effective communication with all stakeholders and to encourage shareholder participation at general meetings.

**14. Approved and adopted**

This charter was approved and adopted by the Board on 27<sup>th</sup> March 2015.

## Corporate Governance Statement

31 December 2014

The Corporate Governance Statement of Think Childcare and Education Limited and its subsidiaries (referred to hereafter as the 'company' or 'Think') was approved by the Board of Directors (the 'Board') on 27<sup>th</sup> March 2015.

The company has adopted the 3<sup>rd</sup> 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> <ol style="list-style-type: none"> <li>the respective roles and responsibilities of its board and management; and</li> <li>those matters expressly reserved to the board and those delegated to management.</li> </ol>	<p>In accordance with the Board Charter, the Board has reserved to itself the following specific responsibilities:</p> <ul style="list-style-type: none"> <li>providing leadership and setting the strategic objectives of the company; 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> <li>overseeing the integrity of Think's accounting and corporate reporting systems (including external audit);</li> <li>overseeing Think's process for making timely and balanced disclosure;</li> <li>ensuring Think has in place an appropriate risk management framework and setting the risk appetite within which</li> </ul>

Principles/Recommendations	Compliance by Think
	<p>the Board expects management to operate;</p> <ul style="list-style-type: none"> <li>• approving Think's remuneration framework; and</li> <li>• monitoring the effectiveness of Think's governance practices.</li> </ul> <p>The Board has delegated to the CEO and the executive team the authority to manage the day to day affairs of Think and authority to control the affairs of Think in relation to all matters other than those responsibilities reserved to itself in the Board Charter.</p> <p>The Board Charter will be available on the company's website.</p>
<p><b>Recommendation 1.2</b></p> <p>A listed entity should:</p> <ol style="list-style-type: none"> <li>undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election as a director; and</li> <li>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>The 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 Think 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 Think directors and senior executives have entered into written appointment agreements with Think.</p> <p>Specifically:</p> <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; and</li> <li>• the executive directors and senior executives of Think have entered into employment contracts, setting out the terms and conditions of their employment.</li> </ul>



Principles/Recommendations	Compliance by Think
<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 Charter, the company secretary 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> <ol style="list-style-type: none"> <li>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;</li> <li>disclose that policy or a summary of it; and</li> <li>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:</li> </ol>	<p>Think has a Diversity Policy in place although this does not require setting measurable 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 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>

Principles/Recommendations	Compliance by Think																
<div>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</div> <div>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.</div>	<div>As at 31 December 2014 the company had the following proportions of women:</div> <table><tr><td></td><td>Total</td><td>Female</td><td>%</td></tr><tr><td>Board</td><td>4</td><td>0</td><td>0</td></tr><tr><td>Senior management</td><td>9</td><td>7</td><td>78%</td></tr><tr><td>Education and direct staff</td><td>776</td><td>774</td><td>99%</td></tr></table>		Total	Female	%	Board	4	0	0	Senior management	9	7	78%	Education and direct staff	776	774	99%
	Total	Female	%														
Board	4	0	0														
Senior management	9	7	78%														
Education and direct staff	776	774	99%														
<div>Recommendation 1.6</div> <div>A listed entity should:</div> <div>a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</div> <div>b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</div>	<div>In accordance with the Board Charter, each director’s performance will be assessed annually. The Board (excluding the chair), will conduct the review of the chair.</div> <div>In addition, the Audit and Risk 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.</div>																
<div>Recommendation 1.7</div> <div>A listed entity should:</div> <div>a) have and disclose a process for periodically evaluating the performance of its senior executives; and</div> <div>b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</div>	<div>In accordance with the Board Charter the evaluation of the executive director’s performance will be considered by the independent directors. The chair of the Board is responsible for ensuring that senior executive evaluations take place on a regular basis.</div> <div>Think currently intends to disclose, at the relevant time, whether a performance evaluation of senior executives was undertaken in the relevant reporting period.</div>																

Principles/Recommendations	Compliance by Think
<p><b>Principle 2: Structure the board to add value</b></p> <p><i>A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.</i></p>	
<p><b>Recommendation 2.1</b></p> <p>The board of a listed entity should:</p> <ul style="list-style-type: none"> <li>a) have a nomination committee 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;</li> </ul> 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> <li>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.</li> </ul>	<p>Due to the small size of the Board and the company's current level of operations, Think does not have a separate Nomination and Remuneration Committee. All matters usually reserved for a Nomination and Remuneration Committee are to be undertaken by the Board. Where such matters relate to the performance of executive directors, these matters will be considered by the two independent, non-executive directors, being Mark Kerr and Andrew Hanson.</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>The Board has not, at this time, adopted a board skills matrix. However, as set out in the Board Charter, 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. In addition, Think's succession plans are designed to maintain an</p>

Principles/Recommendations	Compliance by Think										
	appropriate balance of skills, experience and expertise on the Board.										
<p><b>Recommendation 2.3</b></p> <p>A listed entity should disclose:</p> <ul style="list-style-type: none"> <li>a) the names of the directors considered by the board to be independent directors;</li> <li>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</li> <li>c) the length of service of each director.</li> </ul>	<p>Mark Kerr and Andrew Hanson are considered by the Board to be independent.</p> <p>Refer to 'Information on directors' section of the directors' report of the annual report for the skills and relevant experience and each director.</p> <p>The Board 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> <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 directors and their appointment date is as follows:</p> <table data-bbox="788 1238 1422 1408"> <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>Paul Gwilym</td><td>21 July 2014</td></tr> <tr> <td>Andrew Hanson</td><td>16 September 2014</td></tr> </tbody> </table>	Director	Appointment date	Mark Kerr	21 July 2014	Mathew Edwards	21 July 2014	Paul Gwilym	21 July 2014	Andrew Hanson	16 September 2014
Director	Appointment date										
Mark Kerr	21 July 2014										
Mathew Edwards	21 July 2014										
Paul Gwilym	21 July 2014										
Andrew Hanson	16 September 2014										
<p><b>Recommendation 2.4</b></p> <p>A majority of the board of a listed entity should be independent directors.</p>	<p>The Board is presently balanced between independent and non-independent directors. Out of the four Board members, Mark Kerr and Andrew Hanson are each considered to be independent directors; are not members 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. They each hold less than five per cent of share capital in the company and have not worked in an executive capacity for the company or an associated company for at least three years.</p>										

Principles/Recommendations	Compliance by Think
<b>Recommendation 2.5</b> <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 Board is Mark Kerr, who is an independent, non-executive director.</p> <p>The CEO is Mathew Edwards.</p>
<b>Recommendation 2.6</b> <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 Charter, the directors 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>
<b>Principle 3: Act ethically and responsibly</b> <i>A listed entity should act ethically and responsibly.</i>	
<b>Recommendation 3.1</b> <p>A listed entity should:</p> <ul style="list-style-type: none"> <li>a) have a code of conduct for its directors, senior executives and employees; and</li> <li>b) disclose that code or a summary of it.</li> </ul>	<p>The Board has adopted a Code of Conduct which sets out the values, commitments, ethical standards and policies of Think and outlines the standards of conduct expected of Think's business and people, taking into account Think'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 will be available on the Think website.</p>
<b>Principle 4: Safeguard integrity in corporate reporting</b> <i>A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.</i>	
<b>Recommendation 4.1</b> <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</li> </ul> </li> </ul>	<p>The Board has established an Audit and Risk Committee. This Committee is responsible for, amongst other things, appointing the company's external auditors and overseeing the integrity of</p>

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<p>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>the company's financial reporting systems and financial statements.</p> <p>Due to the small size of the Board and the company's current level of operations, the Audit and Risk Committee currently has only two independent, non-executive directors, being Andrew Hanson (chair) and Mark Kerr.</p> <p>The Audit and Risk Committee Charter will be available on the Think website</p> <p>The relevant qualifications and experience of Andrew Hanson and Mark Kerr has been disclosed 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 Audit and Risk 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 Board has a process to receive written assurances from its CEO and CFO that the declarations that will be provided under section 295A of the Corporations Act 2001 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 Board 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 that has an AGM should ensure that its external auditor attends its</p>	<p>In accordance with the Think Shareholder Communications Policy, there is a requirement</p>

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AGM and is available to answer questions from security holders relevant to the audit.	that 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.
<b>Principle 5: Make timely and balanced disclosure</b>	
<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>	
<b>Recommendation 5.1</b> A listed entity should: <ul style="list-style-type: none"> <li>a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</li> <li>b) disclose that policy or a summary of it.</li> </ul>	<p>The Board has adopted Continuous Disclosure and Shareholder Communications Policies, which set out Think's commitment to the objective of promoting investor confidence and the rights of security holders by:</p> <ul style="list-style-type: none"> <li>• complying with the continuous disclosure obligations imposed by law;</li> <li>• ensuring that the company announcements are presented in a factual, clear and balanced way;</li> <li>• ensuring that all security holders have equal and timely access to material information concerning Think; and</li> <li>• communicating effectively with security holders and making it easy for them to participate in general meetings.</li> </ul> <p>The Continuous Disclosure and Shareholder Communications Policies will be available on Think's website.</p>
<b>Principle 6: Respect the rights of security holders</b>	
<i>A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.</i>	
<b>Recommendation 6.1</b> A listed entity should provide information about itself and its governance to investors via its website.	Information concerning Think and its governance practices will be available on Think's website.
<b>Recommendation 6.2</b> A listed entity should design and implement an investor relations program to facilitate	The Board has adopted Continuous Disclosure and Shareholder Communications Policies which supports its commitment to effective communication with its security holders. In



Principles/Recommendations	Compliance by Think
effective two-way communication with investors.	<p>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 the policies and processes it has in place to facilitate and encourage 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 2001, 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 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 have not elected to receive information electronically.</p>
<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>	<p>The Board has established an Audit and Risk Committee to, amongst other things, ensure</p>



Principles/Recommendations	Compliance by Think
<p>a) have a committee or committees to oversee risk, each of 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 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>Think has an effective risk management system in place and to manage key risk areas.</p> <p>As mentioned above, the Audit and Risk Committee is currently comprised of two independent, non-executive directors, being, Andrew Hanson and Mark Kerr.</p> <p>The chair of the Audit and Risk Committee is Andrew Hanson, who is an independent director.</p> <p>Think currently intends that it will disclose, at the relevant time, the number of times the Audit and Risk 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 and Risk Committee Charter will be available on Think's website.</p>
<p><b>Recommendation 7.2</b></p> <p>The board or a committee of the board should:</p> <ol 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> <li>b) disclose, in relation to each reporting period, whether such a review has taken place.</li> </ol>	<p>In accordance with the Board Charter, the Board will ensure that Think has in place an appropriate risk management framework and will set the appetite within which the Board expects management to operate.</p> <p>Further, the Audit and Risk Committee Charter provides that the Audit and Risk 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 Board will review, at least annually, Think's risk management framework in order to satisfy itself that it continues to be sound.</p>

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<p><b>Recommendation 7.3</b></p> <p>A listed entity should disclose:</p> <ol style="list-style-type: none"> <li>if it has an internal audit function, how the function is structured and what role it performs; or</li> <li>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.</li> </ol>	<p>Think does not at this time, have an internal audit function. However, as set out in the Audit and Risk Committee Charter, the Audit and Risk 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 and Risk Committee is also responsible for conducting investigations of breaches or potential breaches of these internal controls.</p> <p>In addition, the Audit and Risk 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 economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>As set out in the IPO Prospectus, Think 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 available on Think'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.</i></p>	
<p><b>Recommendation 8.1</b></p> <p>The board of a listed entity should:</p> <ol style="list-style-type: none"> <li>have a remuneration committee which: <ol style="list-style-type: none"> <li>has at least three members, a majority of whom are independent directors; and</li> <li>is chaired by an independent director, and disclose:</li> </ol> </li> <li>the charter of the committee;</li> </ol>	<p>The Board 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> </ul>

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<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>	<ul style="list-style-type: none"> <li>• superannuation arrangements for directors, senior executives and other employees.</li> </ul>
<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 will be disclosed in the Annual Report.</p>
<p><b>Recommendation 8.3</b></p> <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>Under Think'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>

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	The Think Securities Trading Policy will be available on the Think website.

The company is in the process of updating its website [www.thinkchildcare.com.au](http://www.thinkchildcare.com.au), where all the policies and governance documentation will be made available.

The IPO Prospectus is available at the following website: [www.thinkchildcareandeducation.com](http://www.thinkchildcareandeducation.com).

## Audit and Risk Committee Charter

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### 1. Introduction

- 1.1 The audit and risk committee is a committee of the board of Directors of Think Childcare and Education Limited ACN 600 793 388 (**Company** and, together with its controlled entities, the **Group**) (**Audit & Risk Committee**).
- 1.2 The board of Directors of the Company (**Board**) established the Audit & Risk Committee under the Company's constitution.
- 1.3 This charter sets out the scope of the Audit & Risk Committee's responsibilities in relation to the Company and the Group.

### 2. Objectives

- 2.1 The objectives of the Audit & Risk Committee are to assist the Board to achieve its Governance objectives in relation to:
  - (i) financial reporting;
  - (ii) the application of accounting policies;
  - (iii) business policies and practices;
  - (iv) legal and regulatory compliance; and
  - (v) internal control and risk management systems;
- 2.2 The Committee will also endeavour to:
  - a) maintain and improve the quality, credibility and objectivity of the financial accountability process (including financial reporting on a consolidated basis);
  - b) promote a culture of compliance across the Group;
  - c) provide a forum for communication between the Board and the Company's management (**Management**) in relation to audit and compliance matters affecting the Group;
  - d) ensure effective audit functions and communication between the Board and the auditors; and
  - e) provide the Board with objective non-executive review of the effectiveness of the Company's financial reporting and risk management framework.

### 3. Audit & Risk Committee composition

- 3.1 The Audit & Risk Committee will seek to be comprised of:
  - (a) at least two Directors;
  - (b) all non-executive Directors; and
  - (c) a majority of independent Directors.

- 3.2 The Board of the Company will appoint the chairperson. The chairperson must be an appropriately qualified independent Director and must not be the chairperson of the Board.
- 3.3 The Audit & Risk Committee will appoint a secretary.
- 3.4 The Audit & Risk Committee must be of sufficient size, independence and technical expertise to effectively discharge its mandate.
- 3.5 Each member of the Audit & Risk Committee must be able to read and understand financial statements and at least one member must be a qualified accountant or other financial professional with appropriate experience of financial and accounting matters.
- 3.6 Each member of the Audit & Risk Committee should have an understanding of the industry in which the Group operates.
- 3.7 The Audit & Risk Committee will annually assess the performance of its members.
- 3.8 The Board will decide appointments, rotations and resignations within the Audit & Risk Committee having regard to the ASX Listing Rules, the *Corporations Act 2001* (Cth) and the general law applicable to such matters.
- 3.9 A member may act by their alternate.

#### **4. External financial reporting**

The responsibilities of the Audit & Risk Committee with respect to external financial reporting are:

- (a) engaging in the proactive oversight of, and assessing the adequacy of, the Company's financial reporting and disclosure processes, overseeing and reviewing the outputs of that process and making recommendations to the Board in relation to those matters;
- (b) assessing the appropriateness and application of the Group's accounting policies and principles and any changes to them, so that they accord with the applicable financial reporting framework;
- (c) obtaining an independent judgment from the external auditor about:
  - (i) the acceptability and appropriateness of accounting policies and principles put forward by Management; and
  - (ii) the clarity of current or proposed financial disclosure practices as put forward by Management;
- (d) assessing information from the internal and external auditors that may affect the quality of the Company's financial reports;
- (e) reviewing all half-yearly and annual financial reports with Management, advisers and the external auditors (as appropriate) and recommending the applicable accounts' adoption by the Board if those financial reports reflect the understanding of the members of the Audit & Risk Committee of, and otherwise

provide a true and fair view of, the financial position and performance of the Group;

- (f) discussing any draft audit opinion letter and Management letter with the external auditors before it is finalised;
- (g) assessing the appropriateness of any significant accounting estimates, judgments or choices in the financial reports of the Company by asking management how they were made and by asking the external auditors how they concluded those estimates were reasonable;
- (h) reviewing and approving as required, documents and reports to regulators;
- (i) following up on any matter raised by the Board regarding financial reports, audit opinions and Management letters;
- (j) establishing procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls and auditing matters, and procedures for the confidential, anonymous submission of concerns by employees regarding accounting and auditing matters;
- (k) reviewing Management processes supporting external reporting, and any complaints or concerns raised internally regarding financial or accounting processes and practices;
- (l) ensuring that procedures are in place designed to verify the existence and effectiveness of accounting and financial systems and other systems of internal control which relate to financial risk management and receiving confirmation from Management to this effect; and
- (m) any other responsibilities as determined by the Audit & Risk Committee or the Directors from time to time, and
- (n) making recommendations to the Board in respect of these matters.

## 5. Risk management and internal control

The responsibilities of the Audit & Risk Committee with respect to risk management and internal control are:

### **Risk management and internal compliance and control systems**

- (a) overseeing the establishment and implementation of risk management and internal compliance and control systems and ensuring that there is a mechanism for assessing the ongoing efficiency and effectiveness of those systems;
- (b) reviewing (at least annually) and approving policies and procedures on risk oversight and management to establish an effective and efficient system for:
  - (i) identifying, assessing, monitoring and managing risk; and
  - (ii) disclosing any material change to the Group's risk profile;

- (c) receiving reports from Management concerning the Group's material risks in order to assess the internal processes for determining, monitoring and managing these risks and to monitor the risk profile of the Group;
- (d) reviewing and/or evaluating:
  - (i) the effectiveness of the Company's risk management and internal control processes; and
  - (ii) the Company's risk management framework at least annually, and ensuring that the Company discloses in relation to each reporting period whether such a review has taken place, as well as any insights gained and any changes made to the risk management framework as a result;
- (e) ensuring that the Company disclosed whether, and if so how, it has regard to, and manages, economic, environmental and social sustainability risks;

#### **Disclosure and financial reporting**

- (f) ensuring that Management establishes a comprehensive process to capture all financial information that must be disclosed to ASX;
- (g) reviewing the Group's financial risk management procedures to ensure that the Group complies with its legal obligations, including to assist the Chief Executive Officer or Chief Financial Officer to provide declarations in relation to each of the Group's financial reports required by both section 295A of the *Corporations Act 2001* (Cth) and Recommendation 4.2 of the *ASX Corporate Governance Principles and Recommendations (3rd edition)*; and

#### **Other responsibilities**

- (h) any other responsibilities as determined by the Audit & Risk Committee or the Directors from time to time, and

making recommendations to the Board in respect of these matters.

### **6. External audit**

The responsibilities of the Audit & Risk Committee are, among other things:

- (a) Approving and recommending to the Board for acceptance the terms of engagement with the external auditor at the beginning of each financial year;
- (b) regularly reviewing with the external auditor:
  - (i) the scope of, plan for and adequacy of the external audit;
  - (ii) identified risk areas; and
  - (iii) any other agreed procedures;
- (c) approving and recommending to the Board for adoption policies and procedures for appointing or removing an external auditor and for external audit engagement partner rotation;
- (d) recommending to the Board for approval, the appointment or removal of an external auditor;



- (e) approving the remuneration of the external auditor;
- (f) regularly reviewing the performance, effectiveness and independence of the external auditor, including annual receipt of an independence report from the external auditor;
- (g) approving the types of non-audit services that the external auditor may provide without impairing or appearing to impair the external auditor's independence;
- (h) meeting periodically with the external auditors and inviting them to attend Audit & Risk Committee meetings to:
  - (i) review their plans for carrying out internal control reviews;
  - (ii) identifying if there have been any significant disagreements with Management, whether or not they have been resolved; and
  - (iii) consider any comments made in the external auditor's Management letter, and in particular, any comments about material weaknesses in internal controls and Management's response to those matters;
- (i) reviewing all representation letters signed by Management;
- (j) receiving and reviewing the reports of the external auditor;
- (k) ensuring that the external auditor attends the annual general meeting of the Company and is available to answer questions from shareholders of the Company relevant to the audit and the independence of the auditor; and
- (l) any other responsibilities as determined by the Audit & Risk Committee or the Directors from time to time.

## **7. Internal Audit**

7.1 The Committee will review and approve the appointment of an internal auditor (which may be an external service provider).

7.2 The Committee is responsible for:

- (a) ratifying the engagement and dismissal of any internal auditor;
- (b) ensuring the internal auditor is independent of the external auditor;
- (c) overseeing the scope of the internal audit;
- (d) ensuring the internal audit function is adequately resourced and has access to all business lines and support areas;
- (e) regularly reviewing and monitoring progress of the internal audit plan and work program;
- (f) considering the findings of the internal audit work and monitoring management responsiveness to internal audit findings and recommendations;
- (g) evaluating the processes for monitoring and assessing the effectiveness of the internal audit;

- (h) regularly receiving and reviewing internal audit reports; and
- (i) ensuring internal audit reports directly to the Committee.

## **8. Other responsibilities**

The responsibilities of the Audit & Risk Committee are:

- (a) assessing and recommending to the Board for adoption the scope, cover and cost of insurance, including insurance relating to Directors and officers liability, company reimbursement and professional indemnity;
- (b) if it considers appropriate, investigating any complaint or allegation made to it;
- (c) reviewing and monitoring any related party transaction and recommending its approval or otherwise; and
- (d) any other responsibilities as determined by the Audit & Risk Committee or the Directors from time to time.

## **9. Audit & Risk Committee meetings**

- 9.1 The Audit & Risk Committee will meet as often as it considers necessary, and at least twice a year.
- 9.2 A quorum for an Audit & Risk Committee meeting is two Audit & Risk Committee members.
- 9.3 Audit & Risk Committee meetings may be held by any technological means allowing its members to participate in discussions even if all of them are not physically in the same place. A member who is not physically present but participating by technological means is taken to be present.
- 9.4 The Audit & Risk Committee may invite other persons it regards appropriate to attend and contribute to Audit & Risk Committee meetings.
- 9.5 The Audit & Risk Committee must disclose at the end of each reporting period the number of times that it met during the period and the individual attendances of its members at those meetings.
- 9.6 Procedures applicable to Board meetings under the constitution shall apply to Audit & Risk Committee meetings.

## **10. Minutes of Audit & Risk Committee meetings**

- 10.1 The Audit & Risk Committee must keep minutes of its meetings.
- 10.2 Minutes of each Audit & Risk Committee meeting must be included in the papers for the next full Board meeting after each meeting of the Audit & Risk Committee, except if there is a conflict of interest.
- 10.3 Minutes must be distributed to all Audit & Risk Committee members, after the Audit & Risk Committee chairperson has approved them.
- 10.4 The agenda and supporting papers are available to all Directors upon request to the Audit & Risk Committee secretary, except if there is a conflict of interest.

**11. Access to information and independent advice**

- 11.1 The Audit & Risk Committee may seek any information or advice it considers necessary to fulfil its responsibilities.
- 11.2 The Audit & Risk Committee has access to:
  - (a) Management, to seek explanations and information from them; and
  - (b) external and internal auditors to seek explanations and information, without Management being present.
- 11.3 The Chief Financial Officer and Company Secretary shall have free and unfettered access to the Committee.
- 11.4 The Audit & Risk Committee may seek professional advice from appropriate external advisers, at the Company's cost. The Audit & Risk Committee may meet with these external advisers without Management being present.

**12. Review and changes to this charter**

- 12.1 The Audit & Risk Committee will review this charter annually or as often as it considers necessary.
- 12.2 The Board may change this charter (including the responsibilities of the Audit & Risk Committee) from time to time by resolution.

**13. Approved and adopted**

This charter was approved by the Board on 27<sup>th</sup> March 2015.

## Continuous Disclosure Policy

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### 1. Introduction

- 1.1 Company Securities are, or may in the future be, quoted on ASX.
- 1.2 Under the ASX Listing Rules, the Company must immediately disclose 'price-sensitive information' to the market. Price-sensitive information is information that a reasonable person would expect to have a material effect on the price or value of Company Securities.
- 1.3 The continuous disclosure regime under the ASX Listing Rules is given legislative force under section 674 of the Corporations Act.
- 1.4 This policy embraces the principles contained in the ASIC guidance note, *Better Disclosure for Investors*, ASX Guidance Note 8 and the *Corporate Governance Principles and Recommendations (3rd edition)* published by the ASX Corporate Governance Council.

### 2. Defined terms

In this policy:

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means the financial market operated by ASX Limited.

**ASX Listing Rules** means the listing rules of ASX.

**Board** means the directors of the Company from time to time, acting as a board.

**CEO** means the Chief Executive Officer of the Company.

**CFO** means the Chief Financial Officer of the Company.

**Company** means Think Childcare and Education Limited ACN 600 793 388.

**Company Secretary** means the company secretary of the Company from time to time.

**Company Securities** includes securities in the Company, options over those securities and any other financial products of the Company traded on the ASX.

**Corporations Act** means the *Corporations Act 2001* (Cth), as re-enacted, amended or modified from time to time.

**Disclosure Committee** means the committee comprising the CEO, CFO and Company Secretary.

**Disclosure Officer** means the Company Secretary.

**Group** means the Company and its controlled entities.

### 3. Objective

The objective of this policy is to:

- (a) ensure that the Company immediately (meaning, 'promptly and without delay') discloses all price-sensitive information to ASX in accordance with the ASX Listing Rules and the Corporations Act;
- (b) ensure that the Company's officers and employees are aware of the Company's continuous disclosure obligations; and
- (c) establish procedures for:
  - (i) the collection of all potentially price-sensitive information;
  - (ii) assessing whether information must be disclosed to ASX under the ASX Listing Rules or under the Corporations Act and, if it is to be disclosed, that its announcement is factual, complete, balanced and expressed in a clear and subjective manner that allows an investor to assess the impact of the information when making an investment decision;
  - (iii) releasing to ASX information determined to be price-sensitive information and required to be disclosed so that all investors have equal and timely access to this information; and
  - (iv) responding to any queries from ASX (particularly queries under Listing Rule 3.1B).

#### **4. Disclosure**

4.1 The Board is responsible for approving and monitoring compliance with this policy.

4.2 The Board has authorised the Disclosure Committee to have responsibility for:

- (a) deciding if information should be disclosed to ASX (subject to any overriding authority of the Board, including in accordance with this policy);
- (b) ensuring compliance with the Company's continuous disclosure obligations;
- (c) establishing a system to monitor compliance with the Company's continuous disclosure obligations and this policy;
- (d) monitoring regulatory developments so that amendments necessary to ensure that this policy continues to conform with those requirements can be considered by the Board; and
- (e) monitoring changes in the market price of, and trading volume in, Company Securities to identify, and if necessary take action to remedy, a potential false or disorderly market in the Company's Securities (subject to any overriding authority of the Board).

4.3 Where appropriate, the Chairman of the Board (or if the Chairman is not reasonably available, the Chair of the Audit & Risk Committee) will be consulted by the CEO or his or her delegate in relation to the disclosure (or non-disclosure) of major matters. The form and content of any announcement in relation to a major matter requires consideration and approval by the Chairman of the Board (or if the Chairman is not reasonably available, the Chair of the Audit and Risk Committee).

- 4.4 Decisions about trading halts will be made following consultation with the Chairman of the Board (or if he or she is not reasonably available, the Chair of the Audit & Risk Committee). If such decision is required to be made on an urgent basis and such Board consultation is not possible, the CEO or his or her delegate shall consult the **Disclosure Officer**).
- 4.5 Routine administrative announcements, such as a disclosure to the market concerning a change in a director's notifiable interest in Company Securities, may be made by the Disclosure Officer following consultation with the CEO or his or her delegate.

## 5. Disclosure Officer

- 5.1 The Board has appointed the Company Secretary to act as the Disclosure Officer.
- 5.2 The Disclosure Officer is the primary point of contact with the ASX and is responsible for:
- (a) communicating with ASX about general matters concerning the ASX Listing Rules (in accordance with ASX Listing Rule 12.6);
  - (b) ensuring officers and employees of the Company are aware of and adequately understand:
    - (i) the Company's continuous disclosure obligations;
    - (ii) their responsibilities in relation to the Company's continuous disclosure obligations and to protect the confidentiality of information (including, when instructing advisers or conducting negotiations in relation to any matter that may give rise to price-sensitive information); and
    - (iii) this policy;
  - (c) if the Disclosure Officer thinks it necessary, implementing training sessions for officers and employees in relation to the Company's continuous disclosure obligations, their responsibilities in relation to those obligations and the protection of confidential information and this policy;
  - (d) implementing and supervising procedures for reporting potentially price-sensitive information;
  - (e) ensuring (by using all reasonable endeavours) that all announcements are:
    - (i) factual, objective and free from the use of any emotive or argumentative language;
    - (ii) balanced and free from any misleading or deceptive statements (including by omission);
    - (iii) do not omit material information;
    - (iv) are expressed in a clear, concise and effective manner; and
    - (v) to the extent that they contain financial information, compliant with the requirements of *ASIC Regulatory Guide 230 Disclosing non-IFRS financial information*,

in each case, so that investors can make fully informed investment decisions in response to that information.

5.3 The Disclosure Officer must maintain a file (**Disclosure File**) of:

- (a) material disclosed to ASX; and
- (b) communications with ASX under Listing Rule 3.19B.

5.4 The Disclosure Officer must report the information referred to in **paragraph 5.3** to:

- (a) the Chairman;
- (b) the CEO; and
- (c) the Board,

at each regular Board meeting.

## 6. Deciding if information should be disclosed

6.1 If an employee or officer of the Company becomes aware of any information at any time that should be considered for release to the market, it must be reported immediately to the Disclosure Officer or the CEO. The Company Secretary, along with its divisional managers for their areas of responsibility, must ensure there are appropriate procedures in place to ensure that all relevant information (i.e. any information that could be materially price sensitive) is reported to them immediately for on-forwarding in accordance with this policy. It is important for employees and officers of the Company to understand that just because information is reported to the Disclosure Officer or the CEO that does not mean that it will be disclosed to ASX. It is for the Disclosure Committee (subject to the Board's overriding authority) to determine whether information is material and requires disclosure. Accordingly, the Company's policy is for all potentially material information to be reported to the Disclosure Officer or the CEO even where the reporting officer or division is of the view that it is not in fact 'material'. The officer's or division's view on materiality can (and should) be shared with the Disclosure Officer or the CEO, but will not be determinative. A similar reporting obligation also arises where a non-executive director (in their capacity as a director of the Company) becomes aware of information that should be considered for release to the market.

6.2 Subject to the Board's overriding authority, the Disclosure Committee is responsible in the first instance for deciding if information should be disclosed. Accordingly, all potentially price-sensitive information must be given to the Disclosure Committee for their consideration as to whether such information needs disclosure.

6.3 If the Disclosure Committee decides that information is price-sensitive and therefore must be disclosed, the Disclosure Officer must:

- (a) prepare an ASX announcement disclosing that information; and
- (b) subject to **paragraph 4.5**, provide that draft announcement to the Chairman of the Board for its approval prior to release.

- 6.4 If in any doubt, the CEO or Disclosure Officer must refer the matter to the Board. The CEO, Disclosure Officer or the Board will, if necessary, seek external legal or financial advice.
- 6.5 If the Company is unable to make a disclosure to ASX immediately (meaning, 'promptly and without delay') upon becoming aware of that price-sensitive information (or if trading in Company Securities is suggestive of a false or disorderly market), then the CEO, the Disclosure Officer or the Board (as applicable) must apply for a trading halt.
- 6.6 Where any information is reported as referred to in **paragraph 6.1**, and the Disclosure Committee determines that the circumstances are developing but the information is not presently disclosable, the Disclosure Officer must oversee the preparation of an appropriate draft announcement to facilitate immediate disclosure of the information if it later becomes disclosable (for example, as a result of confidentiality being lost through a 'leak').
- 6.7 If an officer or employee is in doubt about whether information is potentially price-sensitive, he or she must immediately give that information to the CEO or the Disclosure Officer for consideration.

## **7. Assessing if information is price-sensitive**

- 7.1 The guiding principle is that the Company must immediately disclose to ASX any information concerning the Group that *a reasonable person would expect to have a material effect on the price or value of Company Securities*.
- 7.2 If information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of Company Securities, it is material. However, information could be material in other ways and materiality must be assessed having regard to all the relevant background information, including past announcements that have been made by the Company and other generally available information. *If there is any doubt, the information should be disclosed to the CEO or the Disclosure Officer for consideration.*
- 7.3 Examples of the types of information that may need to be disclosed include:
  - (a) a transaction that will lead to a significant change in the nature or scale of the Group's activities;
  - (b) a change in revenue or profit or loss forecasts that is materially different from market expectations;
  - (c) a change in asset values or liabilities;
  - (d) a change in tax or accounting policy;
  - (e) a decision of a regulatory authority in relation to the Group's business;
  - (f) a relationship with a new or existing significant customer or supplier;
  - (g) a formation or termination of a joint venture or strategic alliance;
  - (h) the granting or withdrawal of a material licence;



- (i) an entry into, variation or termination of a major contract;
  - (j) a significant transaction, such as an acquisition or disposal, involving the Group;
  - (k) giving or receiving a notice of intention to make a takeover;
  - (l) any rating applied by a rating agency to the Company or Company Securities and any change to such a rating;
  - (m) a labour dispute;
  - (n) a threat, commencement or settlement or resolution of any material litigation or claim;
  - (o) the appointment of a liquidator, administrator or receiver;
  - (p) the commission of an event of default under, or other event entitling a financier to terminate, a material financing facility;
  - (q) undersubscriptions or oversubscriptions to an issue of securities (a proposed issue of securities is separately notifiable to ASX under Listing Rule 3.10.3);
  - (r) the lodging of a document containing price-sensitive information with an overseas exchange or financial market or other regulator so that it is public in that country;
  - (s) an agreement between the Company and a related party such as one of its directors or one of their controlled entities; or
  - (t) a director's ill health or death.
- 7.4 There are many other types of information that could give rise to a disclosure obligation. For example, a development in a company affiliated with, but not controlled by, the Company may be price-sensitive when related to the Company itself.

## **8. Exception to disclosure and confidentiality**

- 8.1 Under ASX Listing Rule 3.1A, the Company does not have to give ASX information if:
- (a) one or more of the following applies:
    - (i) it would be a breach of the law to disclose the information;
    - (ii) the information concerns an incomplete proposal or negotiation;
    - (iii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
    - (iv) the information is generated for internal management purposes; or
    - (v) the information is a trade secret;
  - (b) the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
  - (c) a reasonable person would not expect the information to be disclosed.

- 8.2 When the Company is relying on an exception to Listing Rule 3.1, or is involved in a development that may eventually require reliance on an exception, appropriate confidentiality protocols must be adhered to. A leak of confidential information will immediately deny the Company the ability to withhold the information from the ASX and force the Company to make a 'premature' announcement.

## **9. False markets, market speculation and rumours**

- 9.1 Market speculation and rumours, whether substantiated or not, have the potential to impact Company Securities. Speculation may also contain factual errors that could materially affect Company Securities.
- 9.2 The CEO will monitor movements in the price or trading activity of Company Securities to identify circumstances in which a false market may have emerged in Company Securities.
- 9.3 If ASX asks the Company to give it information to correct or prevent a false market, the Disclosure Officer is responsible for giving the information to ASX after following the procedure in **paragraph 6**.
- 9.4 The Company's general policy is that it does not respond to market speculation or rumours. However, the Disclosure Committee or the Board (as applicable) may decide to make a statement in response to market speculation or rumours if:
- (a) they consider that the Company is obliged at that time to make a statement to the market about a particular matter;
  - (b) consider it prudent in order to prevent or correct a false market occurring in Company Securities; or
  - (c) ASX asks for information.

## **10. Public release of disclosed information**

- 10.1 The Company will publicly release all information disclosed to ASX under this policy by placing it on its website.
- 10.2 The Disclosure Officer be provided with confirmation from ASX that the information has been released to the market, before publicly discussing or otherwise publishing the information.

## **11. Trading halts**

- 11.1 The Company may ask ASX to halt trading in Company Securities to:
- (a) maintain orderly trading in its securities; and
  - (b) manage its continuous disclosure obligations.
- 11.2 Decisions about trading halts are made following consultation between the Disclosure Committee and the Board.

## **12. Authorised spokespersons**

- 12.1 Only the CEO, CFO or the Chairman of the Board may speak on behalf of the Company to institutional investors, stockbroking analysts and the media.
- 12.2 The CEO, CFO or the Chairman of the Board may only clarify information that the Company has publicly released and must not comment on price-sensitive information that has not been released to the market.
- 12.3 The Company will not expressly or implicitly give institutional investors or stockbroking analysts earnings forecast guidance that has not already been released to the market.
- 12.4 If other employees are asked to comment by an external investor, stockbroking analyst or the media in relation to any matter concerning the Group they must:
  - (a) say that they are not authorised to speak on behalf of the Company; and
  - (b) refer the investor, stockbroking analyst or media to the Disclosure Officer.
- 12.5 Before any media release can be issued the Disclosure Officer must:
  - (a) review it;
  - (b) disclose it to ASX (if it contains price-sensitive information); and
  - (c) if applicable, be provided with confirmation from ASX that the information in the media release has been released to the market before publicly discussing or otherwise publishing it.

## **13. Open briefings to institutional investors and stockbroking analysts**

- 13.1 The Company may hold open briefings with institutional investors or stockbroking analysts to discuss information that has been released to the market.
- 13.2 For the purposes of this policy:
  - (a) public speeches and presentations by the CEO or CFO or the Chairman of the Board are open briefings; and
  - (b) any meeting that is not an open meeting is a one-on-one briefing.
- 13.3 Price-sensitive information that has not been released to the market must not be disclosed at open briefings.
- 13.4 If a question raised in a briefing can only be answered by disclosing price-sensitive information, employees must:
  - (a) decline to answer the question; or
  - (b) take the question on notice and wait until the Company releases the information to the market through ASX.
- 13.5 If an employee participating in a briefing thinks that something has been disclosed that might be price-sensitive information that has not been publicly released, he or she must immediately inform the Chairman, CEO or Disclosure Officer.

- 13.6 Before any open briefing, the Company will inform the market about the briefing (and, if presentation slides will be used, those presentation slides will also be released to the market).

**14. One-on-one briefings with institutional investors and stockbroking analysts**

- 14.1 It is in the interests of shareholders that institutional investors and stockbroking analysts have a thorough understanding of the Group's businesses, operations and activities.
- 14.2 The Company may hold one-on-one briefings with institutional investors and stockbroking analysts. At these briefings, the Company may give background and technical information to help institutional investors and stockbroking analysts better understand its business operations and activities.
- 14.3 For the purposes of this policy, a one-on-one briefing includes any communication between the Company and an institutional investor or a stockbroking analyst.
- 14.4 Price-sensitive information that has not been released to the market must not be disclosed at one-on-one briefings.
- 14.5 File notes must be made of all one-on-one briefings and kept for a reasonable period.
- 14.6 If an employee participating in a one-on-one briefing thinks that something has been disclosed that might be price-sensitive information that has not been publicly released, he or she must immediately inform the Chairman, CEO or the Disclosure Officer.
- 14.7 Before any series of one-on-one briefings, the relevant employee must inform the Disclosure Officer of information to be disclosed at the briefing.

**15. Presentation and briefing materials**

Any presentation or briefing materials for open or one-on-one briefings must be given to the CEO or the Disclosure Officer before the briefing to determine if they contain any price-sensitive information that has not been released to the market.

**16. 'Blackout' periods**

To protect against inadvertent disclosure of price-sensitive information, the Company will not hold one-on-one or open briefings (except to deal with matters subject to an announcement through the ASX) between:

- (a) the end of its financial reporting periods and the announcement of results to the market; and
- (b) sending notice of an annual general meeting to shareholders and the holding of the meeting.

**17. Review of reports by analysts**

- 17.1 The Company is not responsible for, and does not endorse, reports by analysts commenting on the Company.
- 17.2 The Company does not incorporate reports of analysts in its corporate information, including on its website (this also extends to hyperlinks to websites of analysts).

17.3 If an analyst sends a draft report to the Company for comment:

- (a) employees must immediately send it to the CEO or the Disclosure Officer;
- (b) any response to it will not include price-sensitive information that has not been disclosed to the market;
- (c) it will only be reviewed to correct factual inaccuracies on historical matters; and
- (d) no comment will be made on any profit forecasts contained in it.

17.4 Any correction of a factual inaccuracy does not imply that the Company endorses an analyst research report.

17.5 A standard disclaimer will be made in any response to an analyst.

## **18. Informing employees**

18.1 This policy or a summary of it will be distributed to employees to help them understand the Company's continuous disclosure obligations, their individual reporting responsibilities and the need to keep the Company's information confidential.

18.2 The Company's securities trading policy will also be distributed to the employees. That policy also relates to the treatment of price-sensitive information.

## **19. Policy breaches**

If an employee breaches this policy, he or she may face disciplinary action, including dismissal in serious cases.

## **20. Questions**

Any questions about the Company's continuous disclosure obligations or this policy should be referred to the Disclosure Officer.

## **21. Review and changes**

21.1 The CEO, in consultation with the Board, will review this policy as often as it considers necessary.

21.2 The Board may change this policy from time to time by resolution.

## **22. Approved and adopted**

This policy was approved and adopted by the Board on 27<sup>th</sup> March 2015.

## Diversity Policy

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### 1. Introduction

This policy supports the commitment of Think Childcare and Education Limited ACN 600 793 388 (“**Think**” or “**The Company**” and, together with its controlled entities, the “**Group**”) to an inclusive workplace that embraces and values diversity while always upholding the principle of meritocracy.

### 2. Benefits of diversity

- 2.1 Diversity refers to the variety of differences between people in an organisation. Diversity encompasses gender, race, ethnicity, disability, age, sexual orientation, gender identity, marital or family status, religious or cultural background and more.
- 2.2 The Group's commitment to diversity at all levels forms part of its merit-based organisational culture dedicated to the recruitment and retention of the best available talent at all levels, up to and including The Board of Directors of the Company (“**The Board**”).
- 2.3 The Group believes that embracing diversity in its workforce contributes to the achievement of its corporate objectives (including optimal financial performance in a competitive labour market) and enhances its reputation. It enables the Group to recruit and retain the right people from a diverse pool of talented candidates, which in turn enables the Group to:
  - (a) make more informed and innovative decisions, drawing on the wide range of ideas, experiences, approaches and perspectives that employees from diverse backgrounds, with differing skill sets, bring to their roles; and
  - (b) better represent the diversity of its stakeholders and markets.

### 3. Commitment to diversity

- 3.1 The Group is committed to achieving the goals of:
  - (a) providing access to equal opportunities at all levels of work based on merit; and
  - (b) fostering a corporate culture that embraces and values diversity, where everyone is treated fairly and with respect and where everyone feels responsible for the reputation and performance of the Company.
- 3.2 We are an equal opportunity employer and welcome people from a diverse set of backgrounds.
- 3.3 In order to have a properly-functioning diverse workplace, discrimination, harassment, vilification and victimisation will not be tolerated within the Group.

### 4. Board composition

- 4.1 While skills such as leadership and previous experience as a chief executive, Chair or board member of a large organisation have traditionally been prerequisites to

appointment as a Director, The Board recognises that other skills gained from experience in the following areas are key skills and experience that The Board as a whole should comprise:

- (a) relevant industry experience;
- (b) business acquisition and integration skills;
- (c) financial literacy and legal and regulatory knowledge;
- (d) policy and regulatory development and reform;
- (e) health, safety and environment and social responsibility; and
- (f) organisational development and human resources;

and regard to diversity should be had when constituting The Board.

## **5. Recruitment of senior management and employees**

- 5.1 The Group is committed to ensuring equal employment opportunity for all of its employees and senior management, based on merit, ability, performance and potential, in a way that contributes to the achievement of its corporate objectives, including diversity.

## **6. Objectives for achieving gender diversity**

The Company will:

- (a) implement policies and programmes that address impediments to gender diversity in the workplace (including parental leave and flexible working arrangements that assist employees to fulfil their domestic responsibilities, and other programmes that, over time, help to prepare junior staff for senior management and Board positions), and review these policies to ensure that they are available to and utilised by both men and women at all levels; and
- (b) annually review and assess the Group's progress in implementing such policies.

## **7. Roles and responsibilities**

Every employee within the Group is responsible for supporting and maintaining the Group's corporate culture, including its commitment to diversity in the workplace.

## **8. Disclosure**

A summary of this policy and the Company's achievement of the policy's objectives will be disclosed in each of the Company's annual reports.

## **9. Review and changes to this policy**

- 9.1 The Board will review this policy as necessary to ensure it complies with any applicable legal requirements and remains relevant and effective.
- 9.2 The Board may change this policy from time to time by resolution.
- 9.3 This policy is not contractual in nature.

9.4 This policy is not a promise of continued employment or of the benefits of that employment.

**10. Interaction with other legislation**

This policy applies to the extent that it does not conflict with equal employment opportunity and anti-discrimination legislation in jurisdictions in which the Group operates.

**11. Questions**

Any questions about this policy should be directed to the Executive General Manager Human Resources or the Company Secretary of the Company.

**12. Approved and adopted**

This policy was approved and adopted by The Board on 27<sup>th</sup> March 2015.



## Shareholder Communications Policy

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### 1. Overview

- 1.1 The purpose of this policy is to promote effective communication with shareholders and encourage effective participation at general meetings of Think Childcare and Education Limited ACN 600 793 388 ("**Think**" or "**The Company**").
- 1.2 The Company will ensure that:
  - (a) materials detailed in this policy are maintained and updated on the Company's website [www.thinkchildcare.com.au](http://www.thinkchildcare.com.au) within a reasonable timeframe;
  - (b) shareholder communications are distributed to shareholders in accordance with the *Corporations Act 2001* (Cth) ("**Corporations Act**") and listing rules ("**Listing Rules**") of ASX Limited ("**ASX**"); and
  - (c) it will use available channels and technologies to communicate widely and promptly to shareholders.

### 2. ASX announcements

- 2.1 The Company makes announcements to the ASX in accordance with the Listing Rules and the Corporations Act.
- 2.2 Announcements made by the Company to the ASX are, subject to applicable securities laws, available to shareholders:
  - (a) on the '**Investor Relations**' section of the Company's website;
  - (b) under the '**Company Announcements**' section of the ASX website; and
  - (c) by email notification (when shareholders provide the Company with their email address and elect to be notified of all the Company's ASX announcements).

### 3. Company's share registry

- 3.1 Shareholders are able to access information relevant to their holding via the Company share registry website, [www.computershare.com.au](http://www.computershare.com.au). Shareholders who do not have access to the internet should contact the Company's share registry with any enquiries relating to their shareholdings or alternatively contact the Company Secretary via email at [paulg@thinkchildcare.com.au](mailto:paulg@thinkchildcare.com.au).
- 3.2 The ASX code for the Company is '**TNK**'.
- 3.3 Shareholders will be given the option to receive communications from, and send communications to, the Company and its share registry electronically.

#### 4. Annual general meetings

4.1 The Company usually holds its Annual General Meeting (**AGM**) in April or May each year. The specific date, time and location of each AGM will be detailed:

- (a) in the relevant notice of meeting; and
- (b) on the Company's website.

Alternatively, shareholders can contact the Company's share registry or the Company Secretary directly to obtain this information.

4.2 The notice of meeting will be distributed to all shareholders prior to the AGM within the timeframe set by the Corporations Act and the Company's constitution. The full text of the notice of meeting will also be available via the **'Investor Relations'** section of the Company's website.

4.3 Shareholder meetings are an opportunity for shareholders and other stakeholders to hear from and put questions to the Board of Directors of the Company ("**Board**"), its management and the external auditor. Shareholders may attend the meeting in person (including by any relevant technological means made available by the Company) or by proxy, representative or attorney.

4.4 The Chairman will provide reasonable time following the consideration of reports for questions and comment on relevant matters (including questions or comments communicated to the Company by absent shareholders).

4.5 The Chairman's address (and any address by the Chief Executive Officer's address) will be released to the market immediately prior to the commencement of the AGM. It, along with any webcast made or transcript kept, will be available to shareholders via the Company's website in the same manner as other ASX announcements.

#### 5. Annual report

5.1 The annual report contains key financial information about the Company, as well as important operating and corporate information. As permitted by the Corporations Act, the default method of receiving the Company's annual reports is electronically via the **'Investor Relations'** section of the Company's website (under **'Annual Reports'**). A printed copy of the annual report is only sent to shareholders who elect to receive one. Shareholders who wish to receive a printed copy of the annual report should complete the appropriate form available on the Company's share registry website or contact the Company's share registry (see above for contact details).

5.2 The annual report will be available to all shareholders prior to the **AGM** within the timeframe set by the Corporations Act. It is usually published in March each year.

#### 6. Half-year and full-year results

6.1 The preliminary financial results for the 31 December's full-year end are reported in February each year. The financial results for the 30 June half-year end are reported in August each year.

- 6.2 As the half-year and full-year results are announced to the ASX pursuant to the Listing Rules, they will be available to shareholders in the same manner as other ASX announcements. In addition, the results will be accessible via the '**Investor Relations**' section of the Company's website (under '**ASX Releases**').

## 7. Corporate governance

- 7.1 In accordance with Recommendation 6.1 of the ASX Corporate Governance Council Principles and Recommendations ("**ASX Principles**"), the Company has a '**Corporate Governance**' section on the Company's website.
- 7.2 The Company's annual corporate governance statement is prepared in accordance with the Listing Rules. It is contained in or accompanies the annual report each year and also is or will be available under the '**Corporate Governance**' section of the Company's website.
- 7.3 In accordance with Recommendation 1.1 of the ASX Principles, the Company has a formal board charter, containing details of the functions and responsibilities of the Board. To assist the Board in fulfilling its duties and responsibilities, it has established one Board committee, being **The Audit and Risk Committee**.

Each committee has a formal charter. The Board and committee charters, along with other corporate governance policies and documents, are also available to shareholders from the '**Corporate Governance**' section of the Company's website.

## 8. Media releases

Access to the Company's media releases is available from the 'Investor Relations' section of the Company's website (under '**ASX Releases**') and they are released to the market via the ASX.

## 9. Investor and analyst briefings

- 9.1 At the time of announcement to the ASX of the Company's half-year and full-year results the Company may conduct investor and analyst briefings. Investor and analyst briefings may occur at other times during the year as the Board deems appropriate.
- 9.2 If and when investor and analyst briefings occur at other times during the year, any presentation materials provided and webcasts or transcripts (if kept) will be made available to all shareholders via the '**Investor Relations**' section of the Company's website and will be released to the market prior to delivery.

## 10. Information for beneficial owners

Beneficial owners of the Company securities are encouraged to contact the Company's share registry to arrange the direct receipt of shareholder materials.

## 11. Other information

The Company's website will also contain the information set out at **Annexure A (If any)**.

**12. Publishing and updating the policy**

In compliance with the ASX Principles, this policy or a summary of its main provisions will also be published on the Company's website. The Board may approve updates and amendment of this policy from time to time.

**13. Questions about the policy and its application**

- 13.1 Employees should direct their questions about the policy and its application in the first instance to the Company Secretary.
- 13.2 Shareholders, investors and members of the public should direct their questions about this policy and its application to the Company's share registrar, the details of which are set out in **section 3**.

**14. Approved and adopted**

This policy was approved and adopted by the Board on 27<sup>th</sup> March 2015.

## Annexure A

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The Company's website will contain:

1. the names and brief biographical information of each of the Company's directors and senior executives;
2. the Company's board charter, the charters of its board committees and corporate governance policies and its other corporate governance materials;
3. copies of the Company's annual reports and financial statements;
4. copies of the Company's announcements to ASX;
5. copies of notices of meetings of shareholders and any accompanying documents;
6. an overview of the Company's current business;
7. a description of how the Company is structured;
8. a summary of the Company's history;
9. a key events calendar showing the expected dates in the forthcoming year for:
  - (a) the annual general meeting of the Company;
  - (b) books' closing dates for determining entitlements to dividends or distributions; and
  - (c) ex-dividend and payment dates for dividends or distributions;
10. once they are known, the time, venue and other relevant details for results presentations and the annual general meeting of the Company;
11. if the Company has different classes of securities on issue, a brief description of those different classes and the rights attaching to them;
12. copies of media releases that the Company makes;
13. contact details (preferably for a named individual) for enquiries from shareholders, analysts or the media;
14. contact details for the Company's securities registry; and
15. to the extent relevant, links to download key shareholder forms, such as transfer and transmission forms, dividend and distribution reinvestment plan forms.

## Fraud and Corruption Policy

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### 1. Purpose

The purpose of this policy is to protect the assets and reputation of Think Childcare and Education Limited ACN 600 793 388 ("**Think**" or "**The Company**") by:

- (a) reinforcing the commitment of the board of the Company ("**Board**") and the senior management to, and their responsibility for, identifying fraudulent and corrupt activities and for establishing policies, controls and procedures for prevention and detection of these activities;
- (b) reinforcing the requirement for all employees and others to refrain from corrupt and fraudulent conduct and encourage the reporting of any instance of fraud or corrupt conduct;
- (c) providing a framework for conduct of investigations to ensure that all suspected fraudulent and corrupt activity is dealt with appropriately; and
- (d) assigning responsibility for the development of controls to prevent and detect fraud.

### 2. Scope

- 2.1 This policy applies to all officers, employees (including Directors, executives and managers) and contractors of the Company and its subsidiary companies.
- 2.2 Any irregularity or suspected irregularity involving a shareholder, vendor, consultants or any other third party agencies doing business with the Company or its officers, employees or contractors, is included in the scope of this policy.
- 2.3 The policy does not have regard to the officer's, employee's or contractor's length of service, title or relationship to the Company.

### 3. Legislative landscape

Many jurisdictions in which the Company does or may do business have introduced specific legislation to counter fraud and corruption, and in Australia this is the **Criminal Code Act 1995** (Cth). Such legislation has implications for how the Company operates.

### 4. Definition of fraud and corruption

- 4.1 **Corruption** is defined (for the purposes of this policy) as a dishonest activity in which a Director, officer, executive, manager, employee or contractor of an entity acts in a manner that is contrary to the interests of the Company and abuses his/her position of trust in order to achieve some personal gain or advantage for him or herself or for another person or entity.

4.2 Examples of **corrupt conduct** include, but are not limited to:

- (a) payment of secret commissions (bribes, facilitation payments or gratuities) in money, or some other value, to other businesses, individuals or public officials;
- (b) receipt of bribes or gratuities from other businesses, individuals or public officials;
- (c) release of confidential information, for other than a proper business purpose, sometimes in exchange for either a financial or non-financial advantage;
- (d) a staff member manipulating a tendering process to achieve a desired outcome; and
- (e) a conflict of interest involving a staff member acting in his or her own self-interest rather than in the interests of the Company.

4.3 **Fraud** is defined as an intentional act by one or more individuals among management, those charged with governance, officers, employees, contractors or other third parties, involving the use of deception to obtain an unjust or illegal advantage.

4.4 A fraud can typically result in actual or potential financial loss to any person or entity however this is not always the case.

Examples of fraud could include, but are not limited to:

- (a) misappropriation of funds, securities, stock, supplies or other assets including use of assets for private purposes;
- (b) causing a loss to the Company or creating a liability for the Company by deception;
- (c) impropriety in the handling or reporting of money or financial records;
- (d) profiting from insider knowledge of the Company's activities or intended activities;
- (e) accepting or seeking anything of value from contractors, vendors or persons providing services or goods to the Company;
- (f) false invoicing for goods or services never rendered or backdating agreements;
- (g) submission of exaggerated or wholly fictitious accident, harassment or injury claims; and
- (h) misuse of sick or family leave.

## 5. Policy

5.1 The Company requires all officers, employees and contractors at all times to act honestly and with integrity and to safeguard the Company resources for which they are responsible. The Company is committed to protecting all revenue, expenditure and assets from any attempt to gain illegal financial or other benefits.

5.2 Any fraud or corruption committed against the Company is a major concern and as a consequence all cases will be thoroughly investigated and appropriate disciplinary action will be taken against any staff member who is found guilty of corrupt or fraudulent

conduct. This may include referral to the appropriate law enforcement or regulatory agencies for independent investigation.

## 6. Code of conduct

The Company's code of conduct assists in preventing fraud and corruption within the Company and the Company specifically requires officers, employees and contractors to comply with the code.

## 7. Fraud and corruption control

7.1 The Board and senior management intend to '**set the tone at the top**' in respect of fraud and corruption control and shall:

- (a) ensure that there is an effective fraud and corruption risk management framework in place;
- (b) understand the fraud and corruption risks to which the Company is exposed;
- (c) maintain oversight of the fraud risk assessment and the controls in place to mitigate the risks identified; and
- (d) monitor reports on fraud risks, policies and control activities that include obtaining assurance that the controls are effective.

7.2 The Chief Financial Officer ("CFO") and each executive Director shall:

- (a) foster an environment within their businesses that makes active fraud and corruption control a responsibility of all officers, employees and contractors;
- (b) articulate clear standards and procedures to encourage the deterrence of fraud and corruption; and
- (c) detect and report offences should they occur.

All officers, employees and contractors are responsible for complying with Company policies and procedures, codes of personal conduct and ethics, avoidance of conflict of interest and maintaining vigilance in early detection, reporting and prevention of fraud and corruption.

7.3 Managers and supervisors are responsible for:

- (a) communicating and raising awareness of the risks relating to fraud and corruption with their employees and for ensuring compliance with Company policies and procedures, adequate rotation of employees and levels of staffing are in place; and
- (b) establishing and maintaining adequate internal controls that provide for the security and accountability of Company resources and prevent/reduce the opportunity for fraud and corruption to occur.



7.4 The external and/or internal auditors (as appropriate) will be instructed, as part of their audit activity to:

- (a) assess the adequacy and effectiveness of the Company's fraud and corruption risk management processes, in line with the Company's risk management policies;
- (b) support the CFO and Executive Directors with any investigation of any suspected fraud or corrupt activity;
- (c) monitor theft or misuse of inventory from distribution centres by auditing cycle counts and monitoring and investigating inventory variances;
- (d) deliver asset audits with a focus on protecting and substantiating Company assets, with the main focus of this aspect of their audits being on cash and point of sale procedures, inventory and shrinkage management, physical security and other asset and customer level processes;
- (e) ensure that fraud and corruption risk is being appropriately managed and controlled by business units when auditing business units including compliance with this policy; and
- (f) analyse loss trends arising from fraud and advise/assist relevant units, process owners and officers, employees and contractors in the implementation and maintenance of best practice techniques and controls to prevent and detect fraud and corruption.

Additionally, any specific fraud risks (with high or moderate risk rating) identified and / or flagged will form part of an annual external and/or internal audit program (as appropriate).

7.5 The human resources team is responsible for:

- (a) ensuring that adequate procedures are in place that address:
  - (i) appropriate security screening and selection of officers and employees;
  - (ii) disciplinary / dismissal procedures;
  - (iii) employment contracts that include relevant conditions of employment relating to fraudulent and corrupt conduct;
  - (iv) monitoring of annual leave entitlements to ensure that officers, employees and contractors do not accumulate excessive annual leave entitlements e.g. two weeks over and above their yearly entitlement; and
  - (v) clarification and formalisation of responsibilities / segregation of duties (where possible, these should be included in relevant position descriptions);
- (b) providing regular training in respect of this policy that will:
  - (i) assist with the identification of fraud and corruption risk;
  - (ii) provide effective fraud and corruption mitigation techniques; and

- (iii) enforce the Company's zero tolerance policy on fraud and corruption; and
  - (c) ensuring that relevant officers and employees of the Company certify annually that they have complied with this policy and all applicable anti-fraud and corruption laws.
- 7.6 The Chief Financial Officer (**CFO**) is responsible for making recommendations regarding the placement and maintenance of insurance cover for crime, fraud and fidelity risk for the Company.
- 7.7 The Company's finance team must implement robust processes and controls in relation to expenditure, investments and transfers of money. Provisions, losses and write offs in relation to fraud must be made in accordance with the Company's group accounting policies and procedures. Undisclosed or unrecorded funds, payments or receipts are prohibited.
- 7.8 The Company's Company Secretary will provide advice and requisite management assistance regarding any prospective investigation or litigation linked to a fraud or corruption event.
- 7.9 Each officer and employee of the Company who has the authority to approve the appointment or engagement of a material contractual counterparty of the Company ("**Counterparty**") must ensure that:
  - (a) a Counterparty is suitable to be associated with the Company by conducting appropriate due diligence in relation to the appointment or engagement of that Counterparty;
  - (b) a Counterparty's ongoing relationship with the Company is free from any element of fraud or corruption;
  - (c) a Counterparty understands that it may be subject to appropriate diligence measures as a condition to its appointment or engagement by the Company;
  - (d) any material agreement with a Counterparty must all include provisions requiring compliance with anti-fraud and corruption laws and should provide the Company with rights to satisfy itself of the Counterparty's compliance with those provisions;
  - (e) anti-fraud and corruption provisions also allow the Company to terminate arrangements with a Counterparty where a breach or anticipated breach of an anti-fraud or corruption law arises or where there is non-compliance with the requirements of the relevant provision.

## 8. Investigation protocols

- 8.1 If an investigation identifies that fraud or corruption has occurred, the CFO will escalate the matter in accordance with **section 9** below.
- 8.2 Decisions to prosecute or refer the examination results to the appropriate law enforcement or regulatory agency will be made in conjunction with the Company Secretary and senior management, and in the case of a significant matter, with the Board.

- 8.3 In the event of an investigation, members of the investigating team will have free and unrestricted access to all of Company's records and premises. They will have the authority to examine, copy and remove any information within the scope of the investigation.

## 9. Reporting

- 9.1 Any officer, employee or contractor who suspects fraud or corrupt activity has the ability to report the matter confidentially through one of the following options:
- (a) notifying his or her immediate manager or their human resources manager; or
  - (b) directly notifying the CFO
- 9.2 It is the responsibility of all officers, employees and contractors to report all suspected, attempted or actual fraud or corruption incidents. All information received is treated confidentially by the CFO and their relevant supporting functions (asset protection and human resources).
- 9.3 Investigations will not be disclosed to, or discussed with, anyone other than those who have a legitimate need to know.
- 9.4 The table below outlines the escalation requirements upon receiving a report of suspected fraud or corruption.

Size and nature of report	Escalation
Any report of suspected fraud or corruption received by management	The CFO
Where the incident meets the definition of corruption (regardless of the financial impact)	<p>The CFO will escalate to:</p> <ul style="list-style-type: none"> <li>• Company Secretary</li> <li>• Executive General Manager Human Resources (if any) or</li> <li>• The Board</li> </ul> <p>The CFO will discuss the matter, including any legal action or required disclosure, with the Chief Executive Officer, the Board and the audit and risk committee of the Board as appropriate.</p>
Where the incident is fraudulent in nature and the financial impact is greater than \$10,000	<p>The CFO will prepare an immediate report for the Company Secretary and Executive General Manager Human Resources (if any) and the Board.</p> <p>The CFO will discuss the matter, including any legal action or required disclosure, with the Chief Executive Officer, the Board and the Audit and Risk Committee of the Board as appropriate.</p>
Where the incident has a financial impact of less than \$10,000 and the matter can be immediately contained	The CFO will ensure the incident is reported in the monthly risk report to senior management.

**10. Policy review**

The CFO will initiate a review of this policy at least annually. Any proposed changes to this policy must be approved by the Board.

**11. Approved and adopted**

This policy was approved by the Board on 27<sup>th</sup> March 2015.

## Securities Trading Policy

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### 1. Background

- 1.1 The principal insider trading prohibition is section 1043A of the Corporations Act. Subject to limited exceptions, it prohibits a person (**insider**) who has Inside Information relating to Company Securities or the Securities of another entity from:
- (a) dealing in relevant Securities;
  - (b) procuring another person to do so; or
  - (c) in relation to quoted securities, communicating, directly or not, Inside Information to someone else when the insider knows, or ought reasonably to know, that the other person would or is likely to:
    - (i) Deal in relevant Securities; or
    - (ii) procure another person to do so.
- 1.2 It does not matter how the insider received the information.
- 1.3 Insider trading is a criminal offence, punishable by substantial fines, imprisonment or both. The Company may also be liable if a Designated Officer or Employee engages in insider trading.
- 1.4 Insider trading may also attract civil penalties. A court may impose substantial pecuniary penalties, and order compensation paid to persons suffering related loss or damage, and impose banning orders prohibiting participation in the management of a corporation.

### 2. Interpretation

Capitalised words and phrases are defined terms. For definitions, see **clause 17**.

### 3. Introduction

- 3.1 Securities of the Company will be or are quoted on ASX.
- 3.2 This policy outlines:
- (a) when Designated Officers, Employees and Associates must not Deal in Company Securities;
  - (b) when Designated Officers, Employees and Associates must not Deal in quoted Securities of another entity; and
  - (c) certain limited exceptions.

### 4. What is Inside Information?

- (a) Inside Information is information that:
  - (i) is not generally available; and

- (ii) if it were generally available, would, or would be likely to, influence persons who normally invest in securities in deciding whether to acquire or dispose of the relevant securities.
- (b) Information is generally available if it:
  - is readily observable;
  - (iii) has been made known in a way that is likely to bring it to the attention of persons who normally invest in the relevant type of securities, and a reasonable time for the information to be circulated has since passed; or
  - (iv) consists of deductions, conclusions or inferences drawn from information that has been made known in that way or is readily observable.
- (c) Inside Information is also called 'material price-sensitive information'. It need not relate only to the Company. It could also be information about a customer, or supplier of the Company, or a party with whom the Company is discussing future opportunities or negotiating a significant transaction.
- (d) In order to minimise the risk of insider trading, the Company must immediately disclose to the market material price-sensitive information not otherwise excluded from the disclosure, as set out in the Company's continuous disclosure policy.
- (e) Material price sensitive information is Inside Information even if it does not trigger a disclosure obligation under the continuous disclosure regime.

## **5. What is Dealing in Securities?**

### **5.1 Dealing in Securities includes:**

- (a) applying for, acquiring or disposing of, Securities;
- (b) entering into an agreement to do so; or
- (c) granting, accepting, acquiring, disposing, exercising or discharging an option or other right or obligation to acquire or dispose of Securities.

### **5.2 Dealing in Company Securities can include, but is not limited to:**

- (a) buying or selling Company Securities by way of an on-market or off-market transaction;
- (b) granting, acquiring or disposing of a beneficial interest in Company Securities, such as through a trust that holds Company Securities;
- (c) applying for, acquiring or exercising options or rights over Company Securities;
- (d) acquiring Company Securities (or an interest in them) under any employee share plan operated by the Company;

- (e) accepting, or taking up entitlements under, a dividend reinvestment plan, rights issue, bonus issue, share purchase plan or any other offer of Securities made by the Company;
- (f) accepting an offer under a takeover bid for Company Securities;
- (g) entering into a Derivative; and
- (h) agreeing to do any of the above things.

## **6. When Employees or their Associates must not Deal**

An Employee (who is not a Designated Officer) or their Associate must not, in any circumstances, Deal or procure another person to Deal in Company Securities or quoted Securities of another entity if they have Inside Information in relation to Company Securities or Securities relating to that other entity.

## **7. When a Designated Officer or their Associates must not Deal**

- 7.1 A Designated Officer or his or her Associate must not, in any circumstances, Deal or procure another person to Deal in Company Securities if he or she has Inside Information in relation to Company Securities.
- 7.2 A Designated Officer or his or her Associate must not, in any circumstances, Deal or procure another person to Deal in Securities relating to another entity if they have Inside Information in relation to those Securities.
- 7.3 A Designated Officer or their Associate must not Deal or procure another person to Deal in Company Securities during a Closed Period.
- 7.4 Closed Periods are:
  - (a) the period commencing one month prior to the scheduled release of the Company's half-yearly results to ASX and ending 24 hours after such release; and
  - (b) the period commencing one month prior to the scheduled release of the Company's full year results to ASX and ending 24 hours after such release; and
  - (c) the period commencing two weeks prior to the Company's annual general meeting and ending 24 hours after the annual general meeting; and
  - (d) any additional period that the Board may specify from time to time.
- 7.5 The Closed Period trading prohibition does not limit any other obligations of Designated Officers prescribed by this policy.

## **8. Notification of periods when trading is permissible**

The company secretary will endeavour to notify each Designated Officer of times when he or she is permitted to buy or sell Company Securities.

## 9. Exceptions

- 9.1 An Employee (who is not a Designated Officer) or his or her Associate may Deal or procure another person to deal in Company Securities if he or she does **not** have Inside Information in relation to Company Securities.
- 9.2 A Designated Officer or his or her Associate may Deal or procure another person to Deal in Company Securities outside of the Closed Periods if he or she does **not** have Inside Information in relation to Company Securities and the Designated Officer has provided notification in accordance with **clause 10.**
- 9.3 A Designated Officer or his or her Associate may Deal in Company Securities during a Closed Period only if he or she has obtained Clearance in accordance with **clause 10.2.** **or an exception applies under clause 9.4).**
- 9.4 **Clause 7.3** prohibitions do not apply to Dealing by a Designated Officer or his or her Associate that involves or results directly from any of the following, provided that the Designated Officer has provided notification in accordance with **clause 10:**
  - (a) Dealing in Company Securities under an offer or invitation made by the Company to all or most of its ordinary shareholders – such as an offer or invitation under a rights issue, bonus issue, share purchase plan, dividend reinvestment plan, equal access buy-back or in lieu of a cash dividend (and including, without limitation, decisions relating to whether or not to take up entitlements, and the sale of entitlements required to provide for the take-up of the balance of entitlements, under a renounceable rights issue) – or under an equal reduction of capital undertaken by the Company;
  - (b) undertaking to accept, or accepting, an offer for Company Securities made under a takeover bid or disposing of Company Securities under a court-approved compromise or arrangement under Part 5.1 of the Corporations Act;
  - (c) Dealing in units of or interests in, a fund or other scheme (other than a scheme investing primarily in Company Securities) whereby the assets of that fund or scheme are invested at a third party's sole discretion;
  - (d) where the Designated Officer or his or her Associate is the trustee of a trust, Dealing in Company Securities by that trust provided that neither the Designated Officer nor any Associate is a beneficiary of the trust and any decision to trade during a prohibited period is taken entirely independently of the Designated Officer or his or her Associate;
  - (e) disposal of Company Securities effected by a change in the trustee of a trust;
  - (f) accepting an offer to acquire Company Securities, or acquiring Company Securities, under any employee share plan that the Board from time to time determines is a plan to which this **clause 9.4** applies;
  - (g) the exercise (but not the sale of Company Securities following exercise) of an option or right under an employee share plan, or the conversion of a convertible security, where the final date for exercise or conversion falls during a prohibited period; and the Company has been in an exceptionally long prohibited period or has had a number of consecutive prohibited periods and



exercise or conversion could not reasonably have occurred outside a prohibited period;

- (h) the forfeiture, lapse, cancellation or surrender of Company Securities under an employee share plan; or
  - (i) an off-market transaction involving the transfer or other disposal of Company Securities between a Designated Officer or Associate and any of the following:
    - (i) an Associate of the relevant Designated Officer (or, in the case of an Associate, the Designated Officer);
    - (ii) a company, trust or other entity over which the relevant Designated Officer or Associate of that Designated Officer has control or significant influence (whether alone or jointly with any of their close Associates); or
    - (iii) a superannuation fund or other pension or saving scheme in which the relevant Designated Officer or an Associate of that Designated Officer is a beneficiary.
- 9.5 All Dealing referred to in **clauses 9.3 and 9.4** is subject to the overriding inside trading prohibition – that is, a Designated Officer or Associate must not Deal if he or she has Inside Information in relation to Company Securities.
- 9.6 A Designated Officer may Deal in the quoted Securities relating to another entity if he or she does **not** have Inside Information in relation to those Securities.

## 10. Providing notification and obtaining Clearance

- 10.1 If a Designated Officer proposes to Deal in Company Securities at any time, he or she must, prior to such Dealing, provide:
- (a) written notice of his or her intention to the Clearance Officer; and
  - (b) confirmation that he or she is not in possession of Inside Information, in the form of the template in **Appendix A**. After such Dealing, the Designated Officer must provide the Clearance Officer with a transaction confirmation.
- 10.2 The Clearance Officer may give a Clearance in **exceptional circumstances**. Exceptional circumstances may include:
- (a) if a person is required by court order, or enforceable undertaking (eg in a bona fide family settlement) to transfer or sell Company Securities or there is another overriding legal requirement to do so; or
  - (b) if a person has a pressing financial commitment that cannot otherwise be satisfied and all reasonable alternatives have been investigated.
- 10.3 A tax liability will not generally constitute a pressing financial commitment unless it fits the definition in **clause 10.2(b)**.
- 10.4 A Clearance Officer may delegate his or her authority in writing to an appropriate person in the event of illness or absence, provided that person is not a member of the class for which he or she is the Clearance Officer.

- 10.5 The Clearance Officer has discretion to determine that circumstances other than in **clause 10.2** nevertheless warrant Clearance.
- 10.6 Clearance will not be given:
- (a) retrospectively; or
  - (b) if there is a matter about which there is Inside Information in relation to Company Securities (regardless of whether the applicant is aware of it) when Clearance is requested; or
  - (c) if there is other reason to believe that the proposed Dealing breaches this policy.
- 10.7 A request for Clearance must:
- (a) be in writing and given by hand or email to the Clearance Officer at least three business days prior to the proposed disposal of Company Securities;
  - (b) set out the number of Company Securities proposed to be disposed of, and whether the proposed transaction will be on-market or off-market; and
  - (c) include:
    - (i) sufficient information to demonstrate exceptional circumstances and that the proposed disposal is the only reasonable course of action available to the applicant; and
    - (ii) a declaration that the applicant does not believe they have any Inside Information.
- A template request is included in **Appendix A**.
- 10.8 The Clearance Officer must:
- (a) keep a written record of:
    - (i) any information or request received in connection with this policy; and
    - (ii) any Clearance given; and
  - (b) send a copy of that record to the Company Secretary for keeping.
- 10.9 The Company Secretary must keep a file of materials received under **clauses 10.1 and 10.8**.
- 10.10 A Clearance:
- (a) must be in writing and may be given by hand or emailed;
  - (b) will only be given if the Clearance Officer is satisfied that the applicant has no Inside Information and the circumstances are exceptional;
  - (c) cannot extend for more than five business days (with the effect that the relevant sale or disposal must be commenced within that period); and
  - (d) lapses immediately if the applicant acquires Inside Information.
- 10.11 A Clearance is not an endorsement. Designated Officers, Employees and Associates remain responsible for their compliance with this policy and the Corporations Act.

## **11. Dealings by an Associate**

- 11.1 If a Designated Officer may not Deal in Company Securities, he or she must prevent such Dealing by his or her Associate.
- 11.2 A Designated Officer must:
- (a) inform any Associate of the periods during which the Designated Officer must not Deal in Company Securities;
  - (b) inform any Associate that he or she must not Deal in Company Securities on a speculative basis; and
  - (c) request any Associate to inform the Designated Officer immediately after Dealing in Company Securities.
- 11.3 A Designated Officer does not have to comply with **clauses 11.1** and **11.2** to the extent that compliance would breach his or her obligation of confidence to the Group.

## **12. Communicating Inside Information**

- 12.1 A Designated Officer, Employee or Associate must not directly or indirectly communicate Inside Information in relation to Company Securities or quoted Securities relating to another entity, if he or she knows, or ought reasonably to know, that the other person would be likely to:
- (a) Deal in relevant Securities; or
  - (b) procure another person to so Deal.
- 12.2 The provisions of **clause 12** do not limit, and are additional to, other duties of confidentiality.

## **13. Notice of change in director's interest**

- 13.1 If a Designated Officer is a director, he or she must ensure that an Appendix 3Y Change of Directors' Interest Notice is completed (including the disclosures required by Part 3 of that document titled: 'Closed Period') and provided to the Company Secretary within two business days after the commencement of any Dealing in Company Securities.
- 13.2 The Company Secretary must provide the Appendix 3Y notice to ASX within five business days after the transaction's commencement.

## **14. Speculative dealing**

- (a) A Designated Officer must not Deal in Company Securities on considerations of a Short-Term Nature.
- (b) **Short Term Nature** means any purchase and sale of Company Securities where both transactions occur within a period of six months or less.

## **15. Derivatives**

- 15.1 The Company may grant securities, options or performance rights to its employees as part of their remuneration entitlements. These grants will usually be subject to the

satisfaction of performance or time-based hurdles before they vest in the Employee or Designated Officer. The use of Derivatives over unvested Company Securities may allow value to be realised from those Securities even if performance hurdles have not been met. This would break the intended connection between staff performance and shareholder best interests.

- 15.2 Accordingly, Employees and Designated Officers are not permitted to use Derivatives in relation to any unvested Company Securities in any way.
- 15.3 Employees and Designated Officers may use Derivatives in relation to vested Company Securities, provided any Dealing complies with the balance of this policy.

## 16. Margin loans

- 16.1 Margin loans to support an investment in Company Securities can compromise compliance with this policy, as the loan's terms may compel the sale of Company Securities during a prohibited period or when the Employee or Designated Officer has relevant Inside Information.
- 16.2 Employees and Designated Officers are prohibited from entering into margin loan arrangements to fund the acquisition of Company Securities or in relation to which Company Securities may be used as security against loan repayment.

## 17. Defined terms

**Associate** means someone that a Designated Officer or Employee (**the Principal**) can be regarded as having investment control or influence over, including:

- (a) a family member of the Principal (including a child);
- (b) a nominee of the Principal (including an investment manager managing funds on the Principal's behalf);
- (c) a trust of which the Principal, or any family member, or any family-controlled company is the trustee or beneficiary;
- (d) a person in partnership with the Principal or a connected person mentioned above; and
- (e) a company that the Principal controls.

**ASX** means ASX Limited or the financial market operated by it, as the context requires.

**Board** means the directors of the Company from time to time, acting as a board.

**Clearance** means permission given to a Designated Officer, Employee, or Associate to sell or otherwise dispose of, but not buy, Company Securities in circumstances otherwise prohibited by this policy.

**Clearance Officer** means:

- for an Employee, the General Counsel;
- for a Designated Officer who is not a director, the General Counsel;
- for a director (except the Chairperson of the Board), the Chairperson of the Board;

- for the General Counsel or Company Secretary, the Chairperson of the Board;
- for the Chairperson of the Board, the chairperson of the Board's Audit and Risk Committee; and
- for an Associate, the Clearance Officer of his or her Principal.

**Company** means Think Childcare and Education Limited ACN 600 793 388.

**Company Securities** include Securities and Derivatives of the Company.

**Corporations Act** means the *Corporations Act 2001* (Cth), as amended or modified from time to time.

**Dealing** has the meaning given in clause 5, and Deal has a corresponding meaning.

**Derivatives** has the meaning given in the Corporations Act, and includes the following if they relate to or derive their value from Company Securities: put or call options, forward contracts, futures, warrants, depositary receipts, structured financial products, swaps, contracts for difference, spread bets, caps and collars, and any other hedging or investment arrangement.

**Designated Officer** means any director of the Company and each other person with authority and responsibility, whether direct or not, for the planning, direction and control of the Company's activities (i.e. key management personnel).

**Employee** includes, in addition to Group employees, any contractor or consultant whose terms of engagement incorporate this policy.

**Group** means the Company and its controlled entities.

**Inside Information** has the meaning given in clause 4.

**Securities** include shares (including but not limited to ordinary and preference shares), debentures, any legal or equitable right or interest in shares or debentures, options, convertible notes, Derivatives, interests in managed investment schemes and other financial products.

## 18. Breach

A breach of this policy is serious and may lead to disciplinary action, up to and including dismissal.

## 19. Assistance and additional information

Anyone who has information that he or she considers might be Inside Information and is unsure whether he or she can Deal in Company Securities or Securities of another quoted entity should contact his or her Clearance Officer for assistance and additional information.

## 20. Distribution

This policy must be distributed to all Employees and Designated Officers.

**21. Amendment**

21.1 Amendments to this policy not of a purely administrative nature must be approved by the Board.

21.2 Amendments to this policy that relate to:

- (a) Closed Periods; or
- (b) exclusions from its operation; or
- (c) exceptional circumstances in which trading may be permitted during a prohibited period; or
- (d) are otherwise material,

must be given to ASX by the Company Secretary for release to the market.

**22. Approved and adopted**

This policy was approved and adopted by the Board on 27<sup>th</sup> March 2015.

## Annexure A

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[Date]

The Chairman

Think Childcare and Education Limited

[Postal Address]

### TRADING OF COMPANY SECURITIES

In accordance with **clause 10** of Think Childcare and Education Limited's securities trading policy, I give notice to you that I am proposing to Deal with Company Securities in the following manner:

- ☐ sell Company Securities
- ☐ transfer Company Securities vested under an equity incentive plan to me
- ☐ transfer Company Securities to a related party (eg family company, trust or superannuation fund)
- ☐ exercise options over Company Securities
- ☐ utilise derivatives and enter into a hedging transaction

The number of securities that I propose to Deal with is \_\_\_\_\_

The transaction will be carried out [on-market/ off-market]

I confirm that have no insider information and will comply with the balance of the Think Childcare and Education Limited's securities trading policy in relation to my Dealing.

I agree to notify the Company Secretary of the results of this action for the purposes of disclosure in the annual report or to ASX.

I [attach/set out] the following information required under clause 10.7(3)(i) of the Company's Securities Trading Policy.

\_\_\_\_\_  
\_\_\_\_\_

Please confirm that I am cleared to Deal in Company Securities.

.....

[Designated Officer/Employee/Associate]

Date:

I confirm that subject to you gaining any Inside Information, you are authorised to Deal in Company Securities within a 10 business day window starting on \_\_\_\_\_ and ending on \_\_\_\_\_ as outlined above.

.....

Clearance Officer

Date:

## Privacy Policy

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This Privacy Policy applies to the operations of Think Childcare and Education Limited (**“Think” or “The Company”**) within Australia, and explains how we manage personal information. We safeguard your privacy and the confidentiality of personal information collected by us in the course of our business, including information provided to us by third parties, and are bound by the Australian Privacy Principles which are set out in the *Privacy Act 1988* (Cth) (the **Act**).

The Company is committed to the protection of personal information in accordance with these privacy laws in the provision of its childcare services through the childcare centres it operates and manages.

This Privacy Policy explains how we collect, hold, use, disclose, secure and otherwise manage the personal information of the families that use our services. It describes the types of information we collect and hold and why, how to access and correct the information and how to make a privacy complaint.

### Kinds of personal information we collect and hold

Personal information is any information or an opinion about you, or which could reasonably be used to identify you. Personal information we may collect from you includes:

- your name, address, date of birth and contact details;
- information relating to children enrolled in our centres and their families, including information about health, education and financial information, for example information relating to funding support from government;
- enrolment history and details of attendance, services used and any information relating to attendance at our centres or use of our services;
- information collected by us when you apply to enrol your child at our centres; and
- if you apply to work for us, your past employment, qualifications, residency status and proof of identity.

### Sources of personal information

In most cases we will collect personal information directly from you. We will obtain your consent to collect sensitive information, such as information about your health or eligibility for financial support, unless we are required or permitted by law to collect it without your consent.

When dealing with the Company you may be:

- enrolled at one of our childcare centres or a parent of a child enrolled at one of our centres, or who is applying to enrol your child;
- a former user of our centres, or a client or customer of a business partner, including an externally owned childcare centre managed by us;
- a participant in any promotion run by us, or who has provided information in connection with an inquiry about us or our business, or in connection with a marketing initiative we conduct;
- a supplier, employee, or other person required to undertake accreditation or achieve any clearance or approval in order to deal with us or be involved in any way with our business; or



- an applicant for employment, through our recruitment services provider.

Where relevant, a reference to our childcare centres includes a reference to externally owned childcare centres managed by us.

### **You may choose not to provide your personal information**

If you choose not to provide your personal information we may not be able to provide you with childcare services, process your application or allow you to participate in training, recruitment programmes, marketing initiatives or information campaigns.

### **How personal information is collected and held**

We may collect your personal information if you use any online services we provide (including recording your payment information such as credit card or bank account details); complete our documents or forms, including in relation to an enrolment application; speak to one of our contact centres; participate in an information or marketing initiative; deal with any of our business partners, or if you apply to work with us.

Your personal information is recorded in our computer systems, databases and paper records and held in secure environments. We may utilise our related bodies corporate, agents and third party suppliers for data storage services.

Any personal information you provide over the internet is held securely. We use service providers and secure online payment facilities so that you can pay us by credit card. Your details cannot be accessed through the internet after your payment has been processed.

When you visit our website we may use common internet technologies, such as cookies, to collect general statistical information and to assist you to use our online services. We do not collect personal information from cookies or use cookies for marketing purposes. We collect statistics on web pages visited (including time, date and number of "hits") browser information and search requests but we do not record your personal information when you visit our websites.

### **Anonymity**

There are limited circumstances where you may be able to deal with us anonymously or by using a pseudonym if you request to do so. Examples include where you are seeking only general information about one of our products or services, or are looking only for indicative pricing. In most cases it will not be possible for you to deal with us in this way, or to commence or complete an enrolment application in this way.

### **Purposes for collecting, holding, using and disclosing personal information**

We only collect personal information where it is reasonably necessary for one or more of our functions or activities, such as issuing, administering and managing our business or supplying our services, assessing your eligibility for funding support or other benefits, or assessing your suitability to work with us.

### **How we use and disclose your personal information**

We will only use or disclose your personal information in ways that you would reasonably expect, including so that we can provide our services to you or provide you with information, provide you with online services or information or allow you to use our recruitment facilities. We will request your consent for any other purpose which you would not reasonably expect.

### **Who we may disclose your personal information to and why**

We, or our authorised agent, may disclose your personal information to:

- any person authorised by you;
- our related bodies corporate that provide childcare services or support our business through marketing, accounting and administration services;
- a mail house, records management company or technology services provider (for printing and/or delivery of mail and email, including secure storage and management of our records);
- health service providers, insurers and government authorities in connection with the provision of our services or the health and care of children enrolled at our centres;
- an organisation that provides you with banking facilities (for the purpose of arranging direct debit or other payment transactions or confirming payments made by you to us);
- persons employed by or who have an interest in externally-owned childcare centres managed by us; and
- any company who conducts surveys on our behalf for the purpose of improving or providing our services.

Personal information about you may also be collected from the above people or organisations.

### **Disclosure to overseas recipients**

In some instances our suppliers, service providers and related bodies corporate we disclose your personal information to may be located overseas. Where personal information has been disclosed to an overseas recipient, there is a possibility that in certain cases that recipient may be required to disclose it under a foreign law. Where this occurs, such disclosure is not a breach of the Act.

### **Accessing and seeking correction of your personal information**

Our aim is to always have accurate, complete, up-to-date and relevant personal information. When you receive enrolment or re-enrolment notices, general correspondence or if we speak with you, you should check that the information we hold about you is correct.

You may request access to your personal information that we hold at any time, and request us to correct any errors in that information. Generally no restrictions or charges will apply.

### **How you can contact us or make a complaint**

If you would like more information about how we manage your personal information, wish to request access to or correction of your personal information, or if you have a complaint, please contact us and we will make every effort to resolve your complaint.

### **Approved and adopted**

This policy was approved and adopted by the Board on 27<sup>th</sup> March 2015.