

**G8 Education Limited**  
**ABN 95 123 828 553**  
**Board Charter**

---



## SECTION 1

---

### Introduction

This Charter sets out the objectives, responsibilities and framework for operation of the Board as established in accordance with the constitution of G8 Education Limited. To the extent of any conflict between the terms of this Charter and a constitution, that constitution prevails.

## SECTION 2

---

### Interpretation

**ASX** means ASX Limited.

**Board** means the Board of Directors of G8 Education Limited.

**Charter** means this Board charter.

**Committee** means a standing committee created by the Board.

**Directors** mean the directors of the Board.

**G8 Education** means G8 Education Limited and its controlled entities.

**Shareholders** mean shareholders of G8 Education Limited.

## SECTION 3

---

### Objectives and responsibilities

The Board is accountable to Shareholders and seeks to ensure that the business objectives of G8 Education are aligned with the expectations of Shareholders, clearly communicated to Shareholders and that the operations of G8 Education are being managed in a manner that is focused on those business objectives as well as conforming to regulatory and ethical requirements.

In addition to the above responsibilities, the primary objectives of the Board in discharging its functions are:

- the oversight of the effective management and control of G8 Education including the composition, performance and remuneration of the senior management team;
- to set and review the strategic direction of G8 Education;
- the approval and monitoring of key budgets, business plans, financial statements and financial policies;



G8 Education<sup>ltd</sup>

- the approval of all material transactions including major new investments, capital expenditure and capital management initiatives as proposed by management;
- the establishment, promotion and maintenance of proper processes and controls to maintain the integrity of financial accounting, financial records and reporting;
- the development and implementation of key corporate policies, procedures and controls as necessary to ensure appropriate standards of accountability, risk management and corporate governance and responsibility;
- the appointment and removal of a Managing Director, Chief Executive Officer, Chief Financial Officer and Company Secretary;
- the oversight of the adequacy of managerial resources to ensure there is adequate depth of resources and appropriate succession planning;
- monitoring the performance of senior executives and the implementation of strategy;
- to ensure that Shareholders receive high quality, relevant and accurate information in a timely manner and that investors generally are able to trade in G8 Education securities in a market which is efficient, competitive and informed.

## SECTION 4

---

# Composition of the Board

## 4.1 Structure of the Board

- (a) The membership of the Board is reviewed by the full Board from time to time having regard to the ongoing needs of G8 Education.

It is the policy of the Board that its membership should reflect an appropriate balance between executives possessing extensive direct experience and expertise in the core business activities of G8 Education, and non-executive members who have outstanding track records and reputations attained at the highest levels of business and commerce generally, and who are able to bring to the Board a broad range of general commercial expertise and experience.

- (b) The Board should be of a size and composition that is conducive to effective decision making, with the benefit of a variety of perspectives and skills and in the interests of G8 Education.
- (c) The appointment of a new member to the Board is only made after consultation with the Nomination Committee. Directors are initially appointed by the full Board. They are subject to election by Shareholders of G8 Education Limited at the Annual General Meeting following their appointment and, except in the case of the Managing Director, are subject to re-election by Shareholders of G8 Education Limited at least every three years.

## 4.2 Independence

- (a) The Board should include significant representation by Directors who are capable and willing to make decisions which are in the best interests of Shareholders free from interests and influences which conflict with that duty and are also independent of management.
- (b) The Board must regularly assess the independence of each Director in light of the interests they have disclosed and such other factors as the Board determines are appropriate to take into account in determining whether the Director is independent of management and free of any business or other relationship that could materially interfere with or could be perceived to materially interfere with, the exercise of their unfettered and independent judgment.
- (c) A Non-Executive Director will not be regarded as an independent Director if that Director:
  - (i) is a substantial shareholder of G8 Education or an officer of, or otherwise associated directly with, a substantial shareholder of G8 Education;
  - (ii) has been employed in an executive capacity by G8 Education or any of its subsidiaries and there has not been a period of three years between ceasing such employment and serving as a Director on the Board;
  - (iii) within the last three years has been a partner or a senior management executive with audit responsibilities of a firm which has acted in the capacity of statutory auditor of G8 Education or any of its subsidiaries;
  - (iv) within the last three years has been a principal, director, employee or consultant of a material professional adviser to G8 Education or any of its subsidiaries – for this purpose a material professional adviser is an adviser whose billings to G8 Education exceed 1% of the adviser's total revenues;
  - (v) is a principal, director, employee or associate of a material supplier to, or material customer of, G8 Education or any of its subsidiaries – for this purpose a material supplier to G8 Education means a supplier whose revenues from G8 Education exceed 5% of the supplier's total revenues. A material customer is a customer whose payments to G8 Education exceed 1% of the customer's operating costs;
  - (vi) has a material contractual relationship with G8 Education or any of its subsidiaries other than as a Director of G8 Education;
  - (vii) has any interest and any business or other relationship, including close families ties with any person who falls within any of the categories described above, which could materially interfere with the Director's ability to act in the best interests of G8 Education and independently of management;



G8 Education<sup>ltd</sup>

- (viii) has been a Director of G8 Education for such a period that his or her independence may have been compromised.
- (d) The Board will identify independent Directors and their length of service in the corporate governance section of the annual report of G8 Education.

## SECTION 5

---

### Meetings

#### 5.1 Frequency

- (a) The Board should meet regularly (not less than eight times a year) and hold special meetings as required. Prior notice of meetings will be given in a manner which, so far is possible, facilitates attendance by all Directors.
- (b) Any Director may convene a meeting of the Board or require the Company Secretary to convene a meeting of the Board.

#### 5.2 Compliance with the Constitution

All meetings of the Board will be conducted in accordance with the constitution of G8 Education Limited and applicable laws.

## SECTION 6

---

### Responsibilities of the Board

- 6.1 The Board is responsible for overseeing the effective management and control of G8 Education.
- 6.2 The Board has delegated certain responsibilities to standing committees which operate in accordance with Charters approved by the Board.
- 6.3 The Board has delegated the day to day management of the business of G8 Education to management through the Managing Director subject to agreed authority limits applicable to the senior executive team. However, the Board has established a list of reserved matters pursuant to which it has reserved to itself control over certain matters of a strategic, sensitive or extraordinary nature or which exceed the thresholds set in the authority delegated to management.

## SECTION 7

---

### Reserved Matters

The following matters (including changes to any such matters) require approval from the Board, except where they are expressly delegated to a Committee, the Chairman, the Managing Director or another nominated member of the senior executive team.

#### 7.1 Strategy and Direction

- (a) Policies regarding G8 Education's:
  - (i) overall strategic direction and strategic plans for each of G8 Education's major business units;
  - (ii) key business and financial objectives; and
  - (iii) distribution policy and the approval of any distribution pursuant to that policy.
- (b) Acquisitions, disposals of assets or any significant G8 Education expenditure which exceed the authority limits delegated to the Managing Director.

#### 7.2 Financial Controls, Compliance and Risk Management

- (a) Annual operating and capital expenditure budgets for G8 Education.
- (b) Treasury policies, including foreign currency exposure and policies on the use of financial derivatives.
- (c) G8 Education's financial statements and published reports, including the Directors' report and G8 Education's corporate governance report.
- (d) The establishment and review of the effectiveness of G8 Education's systems of internal control and risk management processes.
- (e) Setting the risk appetite in which the Board expects management to operate.
- (f) Matters impacting on compliance with statutory and regulatory obligations which, if not complied with, would have a material effect on the business of G8 Education.
- (g) Any significant changes in accounting policies or procedures.

### 7.3 Capital Structure

- (a) Changes to G8 Education's capital structure, including reductions of share capital, share buy-backs or issue of new securities, other than in accordance with the terms of G8 Education's incentive plans, if any.
- (b) Borrowings or giving security over assets.

### 7.4 Appointments

- (a) Appointments to the Board, following a review by the Board's Nomination Committee.
- (b) The appointment of the Chairman, following a review by the Board's Nomination Committee.
- (c) The appointment and review of the performance of each the Managing Director, the Chief Executive Officer and the Chief Financial Officer.
- (d) The appointment of external auditors (on the recommendation of the Audit and Risk Management Committee).
- (e) The appointment of the Company Secretary.

### 7.5 Delegation of Authority

- (a) Changes to the membership or Charter of any committee of the Board.
- (b) Changes to the authority delegated to the Managing Director.
- (c) Matters which exceed the authority delegated to the Managing Director.

### 7.6 Policies

The instigation of significant policies affecting G8 Education as a whole, including where applicable:

- (a) the Code of Conduct for Directors and Employees;
- (b) Security Trading Policies;
- (c) G8 Education Health and Safety Policies;
- (d) Risk Management and Oversight Policies;
- (e) Continuous Disclosure and Communications Policies.

## 7.7 Corporate Governance Matters

- (a) Determining the independence of Non-Executive Directors.
- (b) Determining the remuneration of the Non-Executive Directors, within the limits under the Constitution.
- (c) Resolutions and related documentation to be put to Shareholders in general meeting.
- (d) Approval of ASX announcements and press releases concerning matters decided by the Board including announcements relating to the operating performance of G8 Education.

## SECTION 8

---

# Duties of Individual Directors

## 8.1 General

The Directors of G8 Education are required to act honestly, diligently, transparently and in the best interest of Shareholders and to endeavour to ensure that the business of G8 Education is managed and conducted efficiently, that security holder value is enhanced and security holder expectations are met or exceeded.

## 8.2 Legal Obligations of Directors

- (a) Directors must:
  - discharge their duties in good faith and in the best interests of the Shareholders of G8 Education and for a proper corporate purpose;
  - act with care and diligence, demonstrate commercial reasonableness in their decision making and with the level of skill and care expected of a Director of a listed entity;
  - avoid conflicts of interest except in those circumstances permitted by the Corporations Act;
  - act for the benefit of G8 Education at all times;
  - not make improper use of information gained through their position as a Director;
  - make reasonable enquiries to ensure that G8 Education is operating efficiently, effectively and legally towards achieving its goals; and
  - give due consideration to all proposals placed before the Board and keep all discretions unfettered.
- (b) Individual Directors, other than Executive Directors acting within the scope of their delegated authority, must not purport to bind G8 Education unless expressly authorised to do so by the Board.





G8 Education<sup>ltd</sup>

- (c) Directors must ensure that their delegates are reliable and competent and that adequate controls are in place to oversee the exercise of the delegated powers.

### 8.3 Conflicts of Interest and Related Party Transactions

- (a) A Director who has a material personal interest in a matter that relates to the affairs of G8 Education must disclose that interest to the other Directors and should not participate in discussions at a meeting or vote on the matter unless permitted by the Corporations Act.
- (b) Directors should inform the Company Secretary of any related party transactions.

### 8.4 Other Specific Disclosures

- (a) Any event or circumstance which may impact on the status of that Director as an independent Director or otherwise reflect on their capacity to serve should immediately be disclosed to the Chairman.
- (b) All Directors must observe the requirements in the Security Trading Policy for Directors and Senior Executives.

### 8.5 Access to Senior Management

- (a) Directors should have access to the Managing Director, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary for the purposes of seeking information or asking questions.
- (b) Where appropriate, presentations should be made by senior management to Board members in respect of recurring issues of interest to the Board and on special items of interest, identified by the Board or by management, from time to time.

### 8.6 Retirement of Directors

The Directors shall retire from office in accordance with the constitution of G8 Education Limited and/or the applicable sections of the Corporations Act.

The Board has established a policy that in general the maximum term of service for a Non-executive Director should be approximately ten years. However, this term may be extended for reasons such as Board or Committee chairmanship, providing continuity or a particular capability of a Non-executive Director.

### 8.7 Procedure for Independent Advice

In the event that any Director wishes to take professional advice in relation to any aspect of



G8 Education<sup>ltd</sup>

performance of their duties as a Director of G8 Education the Director may do so at G8 Education's expense. The Director should first contact the Chairman and the Company Secretary who will, if required by the Director, assist in procuring that professional advice.

## 8.8 Board discussions, deliberations and decisions

- (a) Directors must keep confidential Board discussions, deliberations and decisions which have not been publicly disclosed.
- (b) Confidential information received by Directors in the course of exercising their duties remains the property of G8 Education.

## SECTION 9

---

### Role of the Chairman

- (a) The Chairman is responsible for:
  - the leadership of the Board;
  - chairing meetings of the Board and the efficient organisation and conduct of the Board's functions;
  - taking such measures as are necessary to facilitate an effective contribution by all Directors; and
  - promoting a constructive relationship between Board members and management.
- (b) The Chairman should review corporate governance matters with the Company Secretary and report on those matters to the Board.
- (c) The Chairman will also be responsible for chairing general meetings of Shareholders.

## SECTION 10

---

### Role of Company Secretary

- (a) The Company Secretary should monitor compliance with Board policy and procedures and co-ordinate the completion and despatch of the Board agenda and supporting papers in a timely manner.
- (b) The Company Secretary is responsible for:
  - in conjunction with the Chairman, organising Board meetings;
  - with input from the Chairman and any other Director, preparing agendas;
  - coordinating the preparation of Board papers; and



G8 Education<sup>ltd</sup>

- organising Directors' attendances at Board and Committee meetings.
- (c) The Company Secretary is accountable to the Board, through the Chairman, on all governance matters.

## SECTION 11

---

# Management

### 12.1 General

- (a) Management, through the Board's delegation of authority to the Managing Director is responsible for the day to day management of the business and operations of G8 Education.
- (b) Management should supply the Board with such information as is reasonably necessary to assist the Board in discharging its duties.

### 12.2 Role of the Managing Director

- (a) The Board has delegated authority to the Managing Director for the business and affairs of G8 Education. That delegation is subject to and limited by, the terms of this Charter including matters reserved for decision by the Board in accordance with section 7 and any specific limitations on authority imposed by the Board from time to time.
- (b) The responsibilities of the Managing Director should be stated in an agreed job description.
- (c) The Managing Director is responsible for making recommendations and reporting to the Board regarding the development of strategies for and the management and performance of the business and operations of G8 Education.
- (d) The Managing Director is responsible for managing G8 Education in accordance with the strategy, business plans and policies approved by the Board.
- (e) The Managing Director must ensure that G8 Education's financial reports present a true and fair view of G8 Education's financial condition and operational results and are in accordance with the relevant accounting standards. On presentation of financial reports for approval by the Board the Managing Director should state in writing to the Board that:
  - the financial reports comply with the requirements of this paragraph;
  - the statement given in relation to the integrity of financial statements is founded on a system of risk management and internal compliance and control which implements the policies adopted by the Board; and
  - G8 Education's risk management and internal compliance and control system is operating efficiently and effectively in all material respects in relation to financial reporting.
- (f) The Managing Director must consult with the Chairman and with the Board regarding



G8 Education<sup>ltd</sup>

matters which the Managing Director considers are of such a sensitive, extraordinary or strategic nature as to warrant the attention of the Board regardless of value.

- (g) The Managing Director may sub-delegate their functions to executive management of G8 Education subject to existing Board policies and legal requirements that limit that power of sub- delegation.

### 12.3 Role of the Chief Financial Officer

- (a) The responsibilities and authority limits of the Chief Financial Officer should be stated in an agreed job description.
- (b) The Chief Financial Officer, in conjunction with the Managing Director, is responsible for ensuring that G8 Education's financial reports present a true and fair view of G8 Education's financial condition and operational results and are in accordance with the relevant accounting standards. On presentation of financial reports for approval by the Board the Chief Financial Officer should state in writing to the Board that:
  - the financial reports comply with the requirements of this paragraph;
  - the statement given in relation to the integrity of financial statements is founded on a system of risk management and internal compliance and control which implements the policies adopted by the Board; and
  - G8 Education's risk management and internal compliance and control system is operating efficiently and effectively in all material respects in relation to financial reporting risks.
- (c) The Chief Financial Officer must consult with the Managing Director, the Chief Executive Officer, the Chairman and with the Board regarding matters which the Chief Financial Officer considers are of such a sensitive or extraordinary or strategic nature as to warrant the attention of the Board regardless of value.
- (d) The Chief Financial Officer will attend meetings of the Board by invitation and otherwise be available to Directors who wish to seek information or ask questions in relation to the affairs of G8 Education.

Review Date	August 2018
-------------	-------------