
Board Charter

CountPlus Limited (ACN 126 990 832)
As adopted by the CountPlus Board

1. Introduction

- 1.1 The Board of Directors (**Board**) is accountable to Shareholders for the performance of CountPlus Limited (**CountPlus**) and its related bodies corporate (**Group Members**). In carrying out its responsibilities, the Board undertakes to serve the interests of Shareholders honestly, fairly, diligently and in accordance with applicable laws while having due regard to the interests of employees, franchisees and the broader community.

2. Board Structure

2.1 Board Size and Composition

- 2.1.1 The Directors shall determine the size and composition of the Board, subject to the limits established by CountPlus' Constitution. CountPlus' Constitution provides for a minimum of three Directors and a maximum seven. For the time being, the Board has determined there shall be five Directors, four of whom are non-executive and one Executive Director.
- 2.1.2 The Board shall consist of non-executive Directors and executive Directors, a majority of whom shall be non-executive, independent Directors.
- 2.1.3 A Director will be considered to be independent by CountPlus if that Director:
- (a) is not a substantial shareholder of CountPlus or an officer of, or otherwise associated with, a substantial shareholder of CountPlus;
 - (b) is not, or has not within the last three years been, a partner, Director or senior employee of a provider of material professional services to CountPlus or any Group Member;
 - (c) within the last three years has not been employed in an executive capacity by CountPlus or another Group Member, or been a Director after ceasing to hold any such employment;
 - (d) is not, or has not within the last three years been, in a material business relationship (e.g. as a supplier or customer) of CountPlus or other Group Member, or an officer of or otherwise associated directly or indirectly with, someone with such a relationship;
 - (e) does not have a material contractual relationship with CountPlus or another Group Member other than as a Director of CountPlus;
 - (f) does not have close family ties with any person who falls within any of the categories described above; and
 - (g) has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of CountPlus; and
 - (h) is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of CountPlus.
- 2.1.4 If a Director does not satisfy one or more of the circumstances in clause 2.1.3, the Board may determine that that Director is independent if the Board is satisfied on reasonable grounds that the Director is

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independent. In each such case, the materiality of the interest, position, association or relationship will be assessed by the Board in order to determine whether it might interfere, or might reasonably be seen to interfere, with the Director's capacity to bring independent judgment to bear on issues before the Board and to act in the best interests of CountPlus and its Shareholders generally.

2.1.5 The threshold for materiality for the purpose of assessing the materiality of relationships between a Director and CountPlus (other than as a Director) will be judged according to the significance of the relationship to the Director in the context of their activities as a whole.

2.1.6 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 the election to the Board. Each independent Director must provide the Board with relevant information for this.

2.1.7 Membership of the Board shall be disclosed in the annual report including whether a Director is independent or not independent. Loss or gain of independence will be disclosed to the market immediately.

2.1.8 **Conduct of individual Directors**

Directors must at all times act in accordance with legal and statutory requirements and discharge all their duties as Directors. Directors must:

- (a) Discharge their duties in good faith and in the best interests of CountPlus and for a proper purpose;
- (b) Act with care and diligence, demonstrate commercial reasonableness in their decision making and act with the level of skill and care expected of a director of a major company, including applying an independent and enquiring mind to their responsibilities;
- (c) Avoid conflicts of interest except in those circumstances permitted by the Corporations Act;
- (d) Not make improper use of information gained through their position as a Director;
- (e) Not take improper advantage of their position as a Director;
- (f) Notify other Directors of a material personal interest when a conflict arises;
- (g) Make reasonable enquiries if relying on information or advice provided by others;
- (h) Undertake any necessary inquiries in respect of delegates;
- (i) Give CountPlus or ASX Limited all the information required by the Corporations Act; and
- (j) Not permit CountPlus to engage in insolvent trading.

2.1.9 The Board has not adopted a tenure policy.

2.1.10 The Board shall make recommendations to CountPlus' Shareholders for the election or removal of Directors.

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2.2 Chair

2.2.1 The Board shall appoint the Chair of CountPlus' Board.

- (a) The Chair should be an independent and non-executive Director; and
- (b) An individual who has held the role of Managing Director of CountPlus should not become the Chair or a non-executive Director for a period of at least three years from the date the individual ceased to be the Managing Director.

The Board may vary the above in exceptional circumstances.

2.2.2 The Chair's role includes:

- (a) Conducting the Annual General Meeting and other Shareholder meetings efficiently such that Shareholders as a whole have adequate opportunity to air their views and obtain answers to their queries;
- (b) Ensuring effective communication with Shareholders and ensuring that members of the Board develop an understanding of the views of the major Shareholders (if applicable);
- (c) Providing coherent leadership of CountPlus, including representing CountPlus and understanding the views of Shareholders;
- (d) Promoting the highest standards of corporate governance and seeking compliance with the provisions of the CountPlus Code of Ethics and Conduct (**Code**) wherever possible;
- (e) Setting the agenda for Board meetings;
- (f) Conducting meetings competently and ethically, and providing effective leadership in formulating the strategic direction for CountPlus;
- (g) Ensuring the members of the Board receive accurate, timely and clear information, in particular about CountPlus' performance, to enable the Board to make sound decisions, monitor performance effectively and provide advice to promote the success of CountPlus;
- (h) Ensuring that the members, individually and as a group, have the opportunity to air differences, explore ideas and generate the collective views and wisdom necessary for the proper operation of the Board and CountPlus;
- (i) Ensuring effective implementation of Board decisions;
- (j) Promoting effective relationships and open communication, both inside and outside the Board Room, between non-executive Directors and senior executives;
- (k) Managing the Board to ensure that sufficient time is allowed for discussion of complex or contentious issues. Where appropriate, arranging for informal meetings before the Board meeting to enable thorough preparation for Board discussion. Non-executive Directors should have sufficient time to consider critical issues and should not be faced with unrealistic deadlines for decision-making;
- (l) Building an effective and complementary Board (the membership of which is skilled and appropriate for CountPlus' needs), initiating change and planning succession in Board appointments, subject to Board and Shareholders' approval;
- (m) Providing a properly constructed induction programme for new Directors that is comprehensive, formal and tailored on all aspects of CountPlus' operations. This includes, issuing formal letters of appointment for new Directors setting out the key terms and conditions relative to that appointment, and the expectations of the role of Director;
- (n) Addressing development needs of the Board as a whole with a view to enhancing its overall effectiveness as a team;

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- (o) Ensuring that the performance of individuals and of the Board as a whole and its Committees is evaluated periodically;
- (p) Ensuring that the Board is providing leadership and vision and working in a constructive partnership with Management;
- (q) Being the Board's representative in dealings with management ensuring that its views are communicated clearly and accurately;
- (r) Establishing a close relationship of trust with the Chief Executive Officer, providing support and advice whilst respecting executive responsibility;
- (s) Ensuring that independent Directors meet separately on a regular basis to consider, among other things, senior executive performance; and
- (t) Overseeing the role of Company Secretary, including, reviewing corporate governance matters with the Company Secretary and reporting on those matters to the Board.

2.3 Company Secretary

The Company Secretary is accountable directly to the Board, through the Chair on all matters to do with the proper functioning of the Board. The Company Secretary is responsible for:

- (a) advising the Board and its Committees on governance matters;
- (b) monitoring that Board and Committee policy and procedures are followed;
- (c) coordinating the timely completion and despatch of Board and Committee papers;
- (d) ensuring that the business at Board and Committee meetings is accurately captured in the minutes; and
- (e) helping to organise and facilitate the induction and professional development of Directors and the Company Secretary.

2.4 Board Committees

2.4.1 The Board shall establish Board Committees to assist it in carrying out its responsibilities.

2.4.2 The Board shall approve Charters setting out matters relevant to the composition, responsibilities and administration of any Board Committees, and other matters that the Board considers appropriate.

2.4.2 To assist the Board in carrying out its responsibilities, the Board has established several standing committees comprising some or all of its members. They are:

- (a) Audit and Risk Committee (non-executive Directors only);
- (b) Remuneration & Nominations Committee (non-executive Directors and executive Director); and
- (c) Acquisitions Committee (non-executive Directors and executive Director).

2.4.3 The Board shall determine the terms of reference of ad hoc Board Committees.

2.4.4 Directors are entitled to attend Board Committee meetings and receive Committee papers.

2.4.5 Board Committees will maintain minutes of their meetings and are entitled to obtain professional or other advice in order to effectively carry out their proper functions.

2.4.6 The Chair of each Board Committee will report back on Committee meetings to the Board at the next full Board meeting and the Board shall consider recommendations from Board Committees.

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2.5 Board Meetings

2.5.1 The Board shall determine the frequency and duration of the Board and Committee meetings. The Board meets formally at least four times per annum and whenever necessary to deal with urgent matters which might arise between scheduled meetings. The Chair of the Board shall convene additional meetings upon request of any Board member who considers it necessary.

- (a) To adequately cover financial, strategic and major risk areas, the Chair shall establish meeting agendas.
- (b) The Company Secretary acts as Secretary to the Board.
- (c) Senior members of management attend Board meetings to present reports on, or seek approvals with, their areas of responsibilities.
- (d) Part of each meeting is also taken up in private session (with only the Board members present) to discuss management issues or matters of a particularly sensitive nature.
- (e) The external auditor meets with the Board as part of the half year and full year financial accounts preparation.

2.5.2 Questions arising at a meeting of Directors are to be decided by a majority of votes of the Directors present and voting and, subject to the Corporations Act and CountPlus' Constitution, each Director has one vote.

2.6 Board Performance

2.6.1 The Board shall evaluate the performance of the Board, the Board Committees and individual Directors.

- (a) The Board shall undertake a performance review of itself periodically. In reviewing its performance it shall:
 - i. Assess its performance against the requirements of its Charter; and
 - ii. Effect any improvements to the Board Charter deemed necessary.
- (b) The Board shall review the performance of Board Committees periodically and review the Charters of Board Committees every two years.

3. Responsibilities

3.1 The Board

3.1.1 To fulfil its responsibilities and duties the Board shall:

- (a) Provide leadership and set the strategic direction of CountPlus with management and monitor management's implementation of that strategy and management's performance generally
- (b) Monitor financial outcomes and the integrity of reporting, and in particular, approve annual budgets and longer term strategic and business plans. The Board shall oversee CountPlus' process for making timely and balanced disclosure of all material information concerning it that a reasonable person would expect to have a material effect on the price or value of CountPlus' securities.
- (c) Set specific limits of authority for management to commit to new expenditure, enter contracts or acquire businesses.

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- (d) Monitor compliance with regulatory requirements (including continuous disclosure) and ethical standards, including reviewing and ratifying codes of conduct and compliance systems.
- (e) Monitor the effectiveness of the audit, risk management and compliance systems that are in place to protect CountPlus' assets and to minimise the possibility of CountPlus' operating beyond acceptable risk parameters.
- (f) Approve dividends.
- (g) Provide effective and timely reporting to Shareholders.

3.2 Auditors

3.2.1 Having regard to the recommendations of the Audit and Risk Committee, the Board shall:

- (a) Make recommendations to Shareholders for the appointment and removal of external Auditors including the remuneration and terms of appointment of the Auditors;
- (b) Select and appoint external Auditors on an interim basis when a vacancy occurs in the office of Auditor.

3.3 Chair and Chief Executive Officer

3.3.1 There is a clear division of responsibilities between the Chair, who is responsible for the running of the Board and the executive responsibility for the running of CountPlus' business.

3.3.2 No one individual is to have unfettered powers of decision-making.

3.4 Managing Director

3.4.1 Subject to CountPlus' Constitution (Clause 11.1(a)), the Directors may appoint one of their number to the office of Managing Director.

3.5 Chief Executive Officer

3.5.1 The Board shall select and appoint (and if appropriate, remove from office) the Chief Executive Officer and determine the Chief Executive Officer's conditions of service.

3.5.2 The Chief Executive Officer's conditions of service, duties, responsibilities and entitlement on termination are set out in the Chief Executive Officer's letter of appointment.

3.5.3 The Board shall evaluate the performance of the Chief Executive Officer against established objectives.

3.5.4 The Board shall develop and maintain a succession plan for the role of Chief Executive Officer.

3.6 Chief Financial Officer

3.6.1 The Board shall ratify the appointment (and, if appropriate, the removal from office) of the Chief Financial Officer and approve the Chief Financial Officer's term of office, remuneration and other terms of appointment.

3.6.2 The Chief Financial Officer's term of office, duties, responsibilities, remuneration and other terms of appointment are set out in the Chief Financial Officer's letter of appointment.

3.6.3 The Board shall monitor the performance of the Chief Financial Officer and approve a succession plan.

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3.7 Senior Management

3.7.1 The Board shall:

- (a) Approve conditions of service and performance monitoring procedures to apply to senior management and monitor the performance of senior management.
- (b) Review senior management succession planning and development regularly.
- (c) Ratify the appointment (and, if appropriate, the removal from office) of the Company Secretary.

3.8 Delegation

- 3.8.1 The Board shall determine the scope of authority (and any limits on that authority), which is delegated to the Chief Executive Officer or any other officer.
- 3.8.2 Responsibility for implementing the strategic direction and for managing the day to day operations of CountPlus is delegated to the Chief Executive Officer. The Chief Executive Officer consults with the Chair, in the first place, on matters which are sensitive, extraordinary or of a strategic nature.
- 3.8.3 Clear lines of communication are to be established between the Chair and the Chief Executive Officer to ensure that the responsibilities and accountabilities of each are understood.

3.9 Policies and principles

- 3.9.1 The Board shall approve policies and principles that apply individually and collectively to the Board, including the:
 - (a) Securities Trading Policy;
 - (b) Conflicts of Interest Policy; and
 - (c) CountPlus Code of Ethics & Conduct – the standards of personal and corporate behaviour as detailed in the CountPlus Code of Ethics and Conduct applies equally to Directors as it does to senior management and staff.

4. Board Access to Information and Independent Advice

- 4.1 All Directors have unfettered access to CountPlus records and information they consider necessary to fulfil their responsibilities. Directors also have access to the Company Secretary and other senior management to seek explanations and information. Directors receive regular detailed financial and operational reports and may request elaboration or explanation of those reports at any time.
- 4.2 The Board collectively, and each Director individually, has the right to seek independent professional advice at CountPlus' expense to help them carry out their responsibilities. While the Chair's prior approval is needed, it may not be unreasonably withheld.

Document control

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