

SUMMARY OF THE ALESCO BOARD CHARTER

Role of Board and Management

The Board accepts that in managing the business of Alesco, its primary responsibility is to oversee the activities of Alesco, including its control and accountability systems to ensure that it is properly managed and constantly improved so as to protect and enhance shareholders' interests. To enable it to do this, the Board is responsible for:

- (a) establishing goals for management and, in conjunction with the senior executive team, providing strategic direction and performance objectives;
- (b) setting and monitoring financial objectives, performance and reporting;
- (c) approving and monitoring annual operating and capital expenditure budgets and business plans;
- (d) monitoring and reviewing risk management systems, policies and practices and procedures to ensure compliance;
- (e) ensuring compliance with statutory and legal obligations, corporate governance standards and internal codes of conduct;
- (f) appointing and removing the chief executive officer;
- (g) ratifying the appointment and, where appropriate, the removal of the chief financial officer and the company secretary;
- (h) determining the remuneration of senior management and monitoring their performance against established key performance indicators; and
- (i) reporting to shareholders and other key stakeholders.

Having regard to its role and responsibilities, the Board delegates the day-to-day management of the business and affairs of the Alesco Group and the implementation of approved business plans and strategies to the chief executive officer.

To assist the Chief Executive Officer in his role, the Board has established an authorities level policy for group executives. This policy sets out the authority levels between the Board, the Chief Executive Officer and the group executives of each division of the Alesco Group and the manner in which decision-making powers may be exercised at the various levels of management.

In addition, the Board has approved certain officers to be authorised and approved bank signatories for Alesco. This authority also allows the signatories to open and close bank accounts for the Alesco Group.

To assist the Board in its role, the Chief Executive Officer is required to report regularly to the Board. This reporting includes:

- (a) preparation of board reports detailing, amongst other things, the Alesco Group's monthly performance and annual forecast performance against budget, the implementation of approved strategies and risk and compliance reporting;
- (b) confirming that Alesco is in compliance with its borrowing covenants;
- (c) reporting on divisional and group cashflows; and
- (d) confirming compliance with foreign exchange hedging and other financial risk management policies.