



Procedures for Selection and (Re) Appointment of Directors

1. Procedures for Selection and (Re) Appointment of Directors

The Board shall ensure that, collectively, it has the appropriate range and expertise to properly fulfil its responsibilities, including

- accounting and finance;
- business development and risk management;
- industry and public company experience; and
- an appropriate ratio and skills matrix for executive and non-executive Directors.

1.1. New Directors

The Chairman regularly reviews the composition of the Board to ensure that the Board continues to have the mix of skills and experience necessary for the conduct of the Company's activities.

In the circumstances where the Board believes there is a need to appoint another Director, whether due to retirement of a Director or growth or complexity of the Company, it is the policy of the Board that in determining candidates for the Board, the following shall occur:

- The Board evaluates the mix of skills, experience, expertise and diversity of the existing Board. In particular, the Board is to identify the particular skills and diversity that will best increase the Board's effectiveness. Consideration is also given to the balance of independent Directors on the Board. Regard must also be had to the Company's Diversity Policy in identifying appropriate candidates;
- Agree the process and timetable for seeking such a person, which may involve an external recruitment consultant;
- A short list of candidates will be prepared for the Board's consideration and interview. A potential candidate is considered with reference to their skills and expertise in relation to other Board members. The Board will also have regard to the other matters identified in this policy as relevant when identifying and considering candidates for the Board.
- The Board must undertake the appropriate checks before recommending an appropriate candidate for appointment to the Board. These should include checks as to the person's character, experience, education, criminal record and bankruptcy history.
- Any appointment made by the Board is subject to ratification by shareholders at the Company's next annual general meeting with all appropriate material information provided in the accompanying notice of meeting explanatory notes.
- The Company must enter into a written agreement with each Director appointed to the Board setting out the terms of their appointment along with a deed of indemnity, insurance and access and an induction pack containing information on the Company's vision, values, strategy, governance and risk management frameworks.

1.2. Board renewal

The Board recognises that Board renewal is critical to performance and the impact of Board tenure on successions planning. Re-appointment of Directors is not automatic. The Company must hold an election of Directors each year. Under the Company's Constitution, a Director of the Company must not hold office (without re-election) past the third annual general meeting following the Director's appointment or three years, whichever is longer. However, a Director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the Company. This rule does not apply to the Managing Director.

1.3. Size and composition of the Board

The Board should be structured in such a way that it has a proper understanding of, and competence to deal with, the current and emerging issues of the business and encourages enhanced performance of the Company.

Reference is made to the Company's size and operations as they evolve from time to time.

1.4. Commitment to the Board

Non-executive Directors must provide to the Board, prior to their appointment or re-election, details of their other commitments and an indication of the time involved in carrying out these other commitments.

All Directors should consider the number and nature of their Directorships and calls on their time from other commitments. Prior to appointment, or being submitted for re-election Non-executive Directors are required to specifically acknowledge to the Company that they will have sufficient time to fulfil their responsibilities as a Director.

1.5. Informing shareholders

Shareholders will be informed of the names of candidates submitted for election as Directors. So that shareholders can make an informed decision on whether or not to elect or re-elect a candidate as a Director, the following information will be supplied to shareholders:

- biographical details, including their relevant qualifications and experience and the skills they bring to the Board;
- details of any other material Directorships currently held by the candidate;
- if the candidate is standing for election as a Director for the first time:
 - any material adverse information revealed by the checks the Company has performed about the candidate;
 - details of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company and its security holders generally; and
 - if the Board considers that the candidate will, if elected, qualify as an independent Director, a statement to that effect;
- if the candidate is standing for re-election as a Director:
 - the term of office currently served by the Director; and
 - if the Board considers the Director to be an independent Director; a statement to that effect; and
- a statement by the Board as to whether it supports the election or re-election of the proposed candidate.

This policy is reviewed annually.