GUIDELINES FOR ASSESSING THE INDEPENDENCE OF DIRECTORS

June 2020

Guidelines for assessing the independence of directors

The Board has adopted the following guidelines to assist in considering the independence of directors. These guidelines have been formulated by reference to the factors relevant to assessing the independence of a director contained in the fourth edition of the Corporate Governance Principles and Recommendations issued by the ASX Corporate Governance Council.

In general, a director is considered to be 'independent' if they are a non-executive and if they:

(a) are not employed in an executive capacity by any entity in the Group or if they have been employed in such a capacity there has been a period of at least three years between ceasing such employment and serving on the Board;
(b) are not receiving performance-based remuneration (including options or performance rights) from, or are not a participant in an employee incentive scheme of, the Group;
(c) are not, and have not within the last three years, been in a material business relationship (eg as a supplier, professional adviser, consultant or customer) with any entity in the Group, or an officer or employee of the Group, or otherwise associated with, someone with such a relationship;
(d) are not, and have not within the last three years, been a substantial security holder of the Group or an officer, employee, representative or professional adviser of, a substantial security holder of the Group;
(e) have no personal ties with any person who falls within any of the categories described above; or
(f) have not been a director for such a period that their independence from management may have been compromised.

Quantitative Materiality Thresholds

In general, a:

- "***substantial securityholder***" means a person holding more than 5% of the Group's voting stock or an officer or otherwise associated directly or indirectly.
- "***material professional adviser***" of the Group or Group member is one whose billings exceed 5% of the adviser's total revenues.
- "***material supplier***" is one whose revenues from the Group or Group member exceed 5% of the supplier's total revenues.

Qualitative Materiality Thresholds

Overriding the quantitative considerations set out above is a qualitative assessment. The materiality of the interest, position, association or relationship will also be assessed to determine whether it might interfere, or might reasonably be seen to interfere, with the director's capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the Group as a whole and its securityholders generally, rather than in the interests of an individual securityholder or other party.