

August 2020

Policy and Procedure for the Selection and (Re) appointment of Directors



PIONEER CREDIT LIMITED ACN 103 003 505 (COMPANY)

New directors

It is the policy of the Board that in determining candidates for the Board, the following process will occur:

- a) The Nomination Committee evaluates the mix of skills, experience, expertise and diversity of the existing Board (and with regard to the Board Skills Matrix). In particular, the Nomination Committee 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.
- b) The Nomination Committee will identify potential candidates by seeking applications from suitably qualified individuals, placing advertisements in appropriate media and/or engaging external consultants that will present diverse candidates.
- c) The Nomination Committee interviews selected candidates.
- d) A potential candidate is considered with reference to their skills and expertise in relation to other Board members. The Nomination Committee (or equivalent) will also have regard to the other matters identified in this Policy and Procedure for Selection and (Re) Appointment of Directors as relevant when identifying and considering candidates for the Board.
- e) The Nomination Committee (or its delegate) will conduct appropriate checks on the candidate before the Board appoints the candidate as a director. Such checks may include as to the candidate's character, experience, education, criminal record and bankruptcy history.
- f) If relevant, the Nomination Committee recommends an appropriate candidate for appointment to the Board. Any appointment made by the Board is subject to ratification by shareholders at the next annual general meeting.

Election as a director

The following information about a director standing for election should be provided to shareholders to enable them to make an informed decision on whether to elect the person as a director:

- a) biographical details, including qualifications, experience and the skills they bring to the Board;
- b) details of material directorships currently held;
- c) any material adverse information revealed by the checks the Company has performed about the director;
- d) details of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his/her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its shareholders generally; and
- e) a statement by the Board as to whether it supports the election.

Board renewal

The Board recognises that Board renewal is critical to performance and the impact of Board tenure on succession planning. Re-appointment of directors is not automatic. The Company must hold an election and/or re-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. 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.

Re-election of a director

The following information about a director standing for re-election should be provided to shareholders to enable them to make an informed decision on whether to re-elect the person as a director:

- a) biographical details, including qualifications, experience and the skills they bring to the Board;
- b) details of material directorships currently held;
- c) the term of office currently served by the director;
- d) if the board considers the director to be an independent director, a statement to that effect; and
- e) a statement by the Board as to whether it supports the re-election.

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.

Commitment to the Board

Non-executive directors must provide to the Nomination Committee, prior to their appointment or re-election, details of other commitments and an indication of the time involved in carrying out those other commitments and should acknowledge to the Company that he/she will have sufficient time to fulfil his/her responsibilities as a director.

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 meet what is expected of them.

Policy and Procedures for Selection and (Re) Appointment of Directors History

25 February 2014	Charter adopted
August 2020	Last Reviewed