
Policy and Procedure for Selection and (Re)Appointment of Directors

Manhattan Corporation Limited ABN 61 123 156 089 (Company)

New directors

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

- (a) The Nomination Committee (or equivalent) evaluates the mix of skills, experience, expertise and diversity of the existing Board. In particular, the Nomination Committee (or equivalent) 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 (or equivalent) will identify potential candidates by seeking applications from suitably qualified individuals; and/or placing advertisements in appropriate media; and/or engaging external consultants that will present diverse candidates.
- (c) The Nomination Committee (or equivalent) 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) If relevant, the Nomination Committee (or equivalent) recommends an appropriate candidate for appointment to the Board. The Nomination Committee (or equivalent) must undertake 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.
- (f) Any appointment made by the Board is subject to ratification by shareholders at the Company's next annual general meeting.
- (g) The Company must enter into a written agreement with each director appointed to the Board setting out the terms of their appointment.

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 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 entity. This rule does not apply to the Managing Director.

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 (or equivalent), prior to their appointment or re-election, details of their other commitments and an indication of the time involved in carrying out those 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.

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:

- (a) biographical details, including their relevant qualifications and experience and the skills they bring to the Board;
- (b) details of any other material directorships currently held by the candidate;
- (c) if the candidate is standing for election as a director for the first time:
 - (i) any material adverse information revealed by the checks the Company has performed about the candidate;
 - (ii) 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
 - (iii) if the Board considers that the candidate will, if elected, qualify as an independent director, a statement to that effect;
- (d) if the candidate is standing for re-election as a director:
 - (i) the term of office currently served by the director; and
 - (ii) 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 election or re-election of the proposed candidate.