

SEQUOIA FINANCIAL GROUP LIMITED

CORPORATE GOVERNANCE STATEMENT

The Board is responsible for the overall corporate governance of Sequoia Financial Group Limited and its related entities (**Sequoia, SEQ or Company**) including adopting appropriate policies and procedures designed to ensure that the Company is properly managed to protect and enhance shareholder interests.

This Corporate Governance Statement (**Statement**):

- Reports against the 3rd edition of the Corporate Governance Principles and Recommendations issued by the ASX Corporate Governance Council (**ASX Recommendations**) and the practices detailed in this statement are current as at 31 August 2018; and
- Has been approved by the Board and is available on Sequoia's website under Corporate Governance at www.sequoia.com.au and is current as at 31 August 2018.

Consistent with the Company's commitment to transparency in its dealings with stakeholders, this Statement has been prepared by reference to each recommendation contained in the Governance Principles.

All references to the Company website in this Statement is www.sequoia.com.au

PRINCIPLE 1 – THE BOARD LAYS SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Role and Responsibilities of the Board

The Board is accountable to the Company's shareholders and has a professional responsibility to clients. It has overall responsibility for the performance of the Company, the execution of the Company's strategy, and the implementation of sound corporate governance policies and practices. The Company has adopted a Board Charter (which is available on the Company website) that formally sets out the functions and responsibilities of the Board. This enables the Board to perform its role more effectively and creates a system of checks and balances to provide a balance of authority.

Day to day management

The Chief Executive Officer/Managing Director (**CEO/MD**) oversees the day-to-day management of the business. The CEO/MD has been delegated the authority to

manage the Group in accordance with the strategy, plans and policies approved by the Board. The Board reviews the delegations from time to time.

Responsibilities specifically delegated to the CEO/MD are outlined in the Board Charter.

Information regarding appointment and re-election of directors

When considering the appointment of directors to the Board, a formal process is undertaken to identify various candidates, with interviews held and appropriate background checks carried out. In addition, the Board considers and formally resolves to support the election or re-election of directors to shareholders at general meetings/annual general meeting.

Before board candidates are selected, the Board considers the current Board's skills and competencies, and will assess its needs at that time and in the future and develop selection criteria for the candidates. Candidates are required to disclose their other commitments and confirm that they are able to dedicate sufficient time to their duties. The Board, relative to its selection criteria, considers a shortlist of candidates.

The Company provides shareholders in the relevant notice of meeting with information to assist them to make an informed decision on all directors standing for election or re-election. Directors are re-elected in accordance with the Company Constitution and the ASX Listing Rules.

Agreements with directors and senior managers

Sequoia has agreements with each director and senior manager, which outlines the terms of their appointment. Each of the Sequoia directors has signed a letter of appointment and each of Sequoia's senior managers is engaged under an employment or contractor agreement.

Accountability of the company secretary

Sequoia's company secretary has a direct reporting line to the Chairman and all directors have direct access to the Company Secretary, who is appointed by, and accountable to, the Board on all governance matters and the proper functioning of the Board.

Sequoia Diversity Policy

The Company has established a Diversity Policy, a copy of which is posted on its website. This policy sets out the company's Merit and Ability Philosophy:

- (a) The Board will employ, promote and contract on the basis of merit, ability, performance, responsibility, integrity, attitude and work ethic; and

- (b) Considerations of age, race, religion, creed or gender have no positive or negative bias in employment or contracting decisions.

The current policy sets out a framework for employment and promotion opportunities within the Company. The policy does not set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them. A formal diversity policy in line with the Corporate Governance Council's recommendations will be considered within the next reporting period.

As at 30 June 2018, the proportion of women and men across the levels of Board, senior management and total employees were as follows:

- The proportion of female directors: 0%
- The proportion of female employees who are senior managers / executives: 33.3%
- The proportion of female employees in the whole organisation: 40.2%

SEQ is committed to an inclusive workplace that embraces and promotes diversity as part of its corporate culture.

Evaluation of the performance of the Board, its Committees and individual Directors

Under the Board Charter, the Remuneration Committee is responsible for establishing a process for evaluating and assessing the Board's performance on an annual basis. The Remuneration Committee agreed to conduct evaluations and assessments of the Board, its committees and individual directors via a self assessment questionnaire. The results of the questionnaires were discussed at the board level and between the Chairman and individual directors.

Evaluation of the performance of the CEO/Managing Director, Chief Financial Officer and Executive Directors

Senior executives prepare strategic objectives that are reviewed and signed off by the Board. Senior executives, as part of their key performance targets, must then meet these objectives. The CEO/MD then reviews the performance of senior executives against those objectives. The Board reviews the CEO/MD's compliance against his and the Company's objectives. These reviews occur annually or more frequently as required.

PRINCIPLE 2 – THE BOARD IS STRUCTURED TO ADD VALUE

Board Committees

The ultimate responsibility for the oversight of the operations of the Company rests with the Board. However, the Board may discharge any of its responsibilities through committees of the Board in accordance with the Constitution and the *Corporations Act 2001* (Cth) (**Corporations Act**).

The Board has established the following committees, which assist it with the execution of its responsibilities. The composition and effectiveness of the committees will be reviewed on an annual basis:

- Audit Committee – to protect the integrity of financial statements, internal control structure and the external audit function (further details of which are discussed below);
- Risk and Compliance Committee – to review and monitor the Company’s risk management framework (Further details of which are discussed below); and
- Remuneration Committee – to ensure that the Company remunerates fairly and responsibly, and assist the Board in nomination matters (further details of which are discussed below).

Each of these committees operate in accordance with specific charters approved by the board which can be found on the Company’s website.

As at the review date, the applicable composition requirements and current membership of each of the board committees are set out below:

Board Committee	Composition Requirements	Membership
Audit Committee	At least three members, with the majority being independent. The chairman should be an independent non-executive director. All members should be financially literate and at least one member must have financial expertise.	John Larsen (Chair); Garry Crole; and Scott Beeton.
Risk and Compliance Committee	At least three members, with the majority being independent. The chairman should be an independent non-executive director. All members should be financially literate and at least one member must have financial expertise.	John Larsen (Chair); Garry Crole; and Scott Beeton.

Remuneration Committee	Not less than two members, the majority of which are independent. The chairman should be an independent non-executive director.	John Larsen (Chair); Garry Crole; and Scott Beeton.
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Nomination Committee

Sequoia does not have a separate Nomination Committee, the Board is charged with those responsibilities that a Nomination Committee would ordinarily deal with.

Under the Board Charter, the board has specific nomination responsibilities.

Board Skills Matrix

During the year ended 30 June 2018 a board skills matrix was reviewed. The matrix established criteria that the board believes provided the requisite collective experienced skillset to discharge its responsibilities.

The current composition of the Board of directors brings relevant experience and skills covering domestic and international experience including strategic capabilities and commercial acumen, professional services, financial management, sales and marketing, legal services and corporate governance and compliance in listed entities, experience in human resource management including workplace culture, management development and succession, health and safety, diversity and remuneration.

The full biographies of all directors are included in the Directors' Report in the Annual Report. A summary of current directors' skills, supporting the assessments in the skills matrix information disclosed further in this Statement, is below.

Garry Crole

Non-executive Director (appointed 18 November 2016 and Chairman on 8 June 2018)

Garry Crole founded Deakin Financial Planning (DKN) in 1990, an ASX listed company that was later acquired by IOOF. Garry went on to found Interprac Financial Planning Pty Ltd; a leading independent owned Australian Financial Services Licensee.

Garry is currently director of Interprac Pty Ltd and Glennon Capital.

Garry holds an Advanced Diploma of Financial Services and a Diploma of Financial Services Distribution from Deakin University. He is a Graduate of the Australian Institute of Company Directors and holds a Diploma of General Insurance from the

Insurance Institute as well as a Diploma of Business from the Australian Institute of Management.

Scott Beeton

Executive Director and Managing Director (appointed 24 December 2014)

Scott Beeton has 18 years experience in the finance industry working in a variety of roles across superannuation, funds management, investment management, stockbroking, AFSL dealer services and advice.

Scott as appointed Managing Director of SEQ in December 2014. Scott is co-founder of Sequoia and has developed the capabilities of the various Sequoia businesses.

Scott has a Bachelor of Business from Newcastle University and a Diploma of Financial Services (Financial Planning).

John Larsen

Non-Executive Director (appointed 2 February 2018)

Mr Larsen brings in excess of 30 years' experience in financial services to SEQ, including senior management positions and directorships across various businesses licensed to provide financial services including funds management and stock broking.

John is also a non executive director of Glennon Small Companies Limited, an Australian Small Caps Funds Manager, and also has significant experience in the management of private portfolios and individually managed accounts. He was also the Chairman of the board of directors of Odyssey Funds Management between 2002 and 2009, part of the investment committee responsible for investment for ASX listed, Huntley Investment Company Limited, between 2006 and 2008 and previously held the position of Group Investment Manager at ING (then Mercantile Mutual Group) retaining responsibility for the entire Australian investments portfolio with over \$500 million of funds under management. During John's tenure, ING was one of the largest fund managers in the Australian market.

John's stockbroking experience includes positions as Head of Equities for Deutsche Bank in Australia, Director of County Natwest Securities (now part of Citigroup) in charge of institutional sales and Director of Equity Capital Markets, Hartley Poynton Corporate division.

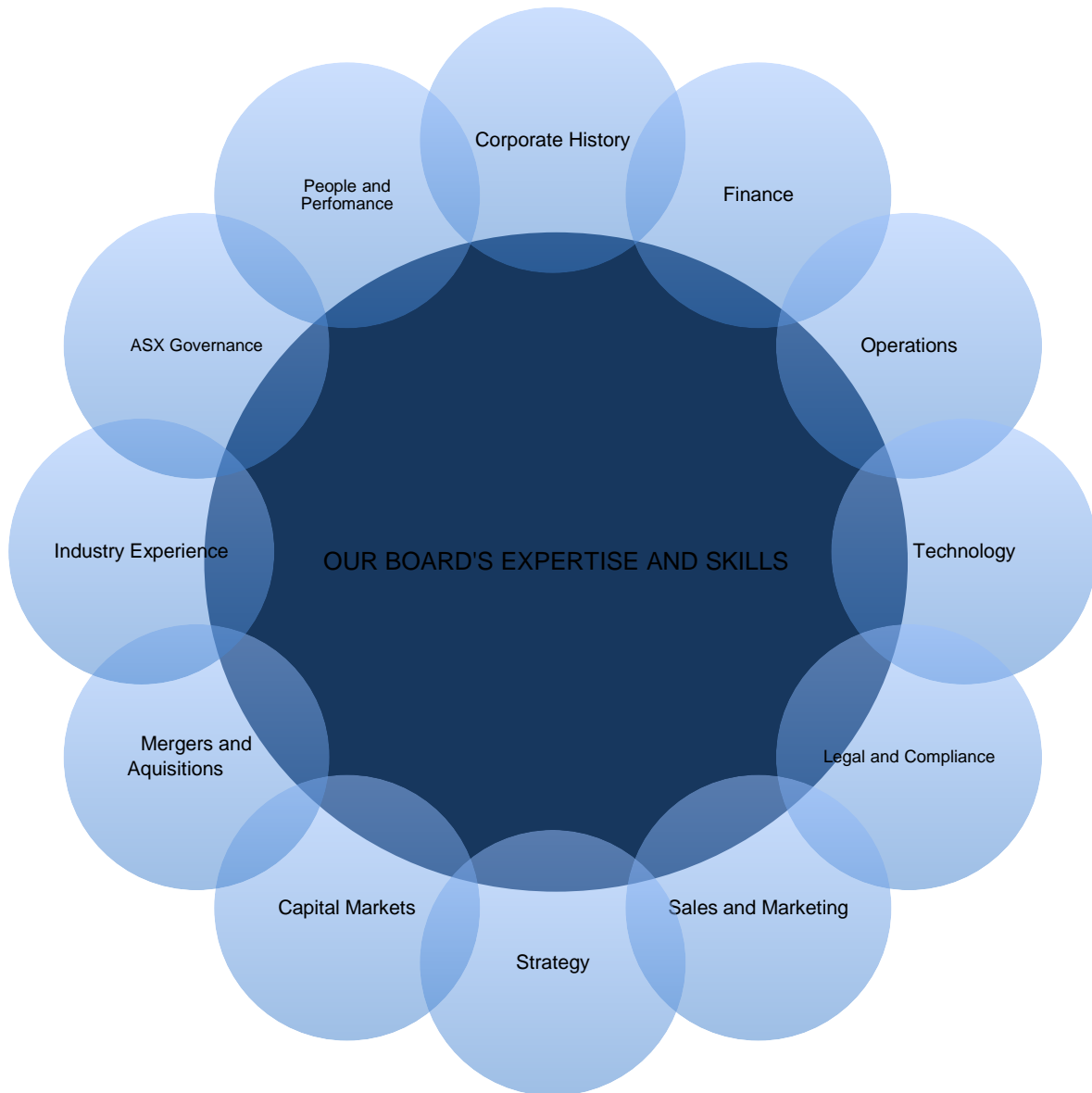
The diagram below sets out the skills and experience considered by the board to be important for its directors to collectively possess.

Each of the small circles in the diagram represents a competency that the board believes it requires to effectively discharge its duties. The board via the use of its skills matrix has assessed the relevant level of each competency on the board and although collectively some competencies and skills have a higher expertise or skill level than others, the board is of the opinion that collectively it has an adequate skill level for all competencies to discharge its duties.

In addition to the skills and experience set out in diagram below, the board considers that each director has the following attributes:

- Honesty and integrity;
- The ability to think strategically;
- The time available to devote to the business;
- A willingness to question and challenge; and
- A commitment to the highest standards of governance.

All directors are expected to use their range of relevant skills, knowledge and experience and to apply their judgement to all matters discussed at Board meetings.



SKILL	DESCRIPTION
Strategy	Ability to think strategically and identify and critically assess opportunities and threats and develop effective strategies in the context of changing market conditions.
Finance	The ability to analyse financial statements and reporting, critically assess the financial performance of the Group, contribute to budget planning and efficient use of capital and resources.
Operations	A broad range of commercial and business experience in business systems, practices, improvements, risk and compliance, sales, maintenance, technology and human resources.
Sales and marketing	Clear understanding of developing and implementing sales and marketing teams and strategies, recruiting, running and incentivising sales teams, and setting sales budgets and targets.
Capital markets	Expertise in considering and implementing efficient capital management including alternative capital sources and distributions, yields and markets.
Industry experience	Experience and broad understanding of the market place including market drivers, risks and trends including policies, competitors, end users, regulatory policy and framework.
Mergers and acquisitions	Experience in all aspects of the negotiation, structuring, risk management and assessment of both acquisitions and divestments.
People and performance	Appreciation for the best practices in HR planning and management with familiarity in employment legislation and labour relations, recruitment, compensation, performance reviews and conflict management.
Legal and compliance	Ability to identify key risks to the Group in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks and systems.
ASX governance	Knowledge and experience in best practice ASX and Corporations Act governance structures, policies and processes.
Technology	Expertise in the area of technology that the Group should be aware of and utilising, including keeping abreast of new and emerging technology.
Corporate history	The board has a good understanding of recent corporate background including organisational structure, litigation, key contracts and relationships, performance and capital structures.

While the current Board composition meets the Group's needs, this skills and experience analysis will assist to identify opportunities for director training and

development and to inform skills gaps that may be addressed through future Board appointments.

Director independence

For the period ending 30 June 2018, the Board comprised of three directors as follows:

Director	Independent status	Appointment date
Scott Beeton	CEO & Managing Director (not considered independent)	24 December 2014
Garry Crole	Executive Chairman (not considered independent)	18 November 2016
John Larsen	Non-Executive Director (independent)	2 February 2018

Two of the Directors are full-time executives of the Company, Mr Scott Beeton and Mr Crole. These Directors are not considered independent by virtue of their positions as executives in the Company.

There is currently one Non-Executive Director, Mr. John Larsen. Mr. Larsen is considered independent with reference to the criteria established by the ASX Corporate Governance Council.

In order to facilitate independent judgement in decision-making, each Director has the right to seek independent professional advice at the Company's expense.

The Board regularly assesses whether a Non-Executive Director is independent. If a Director's independence status changes, this is disclosed to the market in a timely manner.

Directors are required to keep the Board advised of any interest that may be in conflict with those of the Company, and restrictions are applied to Directors' rights to participate in discussion and to vote, as circumstances dictate when a conflict has been identified. In particular, where a potential conflict of interest may exist, directors concerned may be required to leave the Board meeting while the matter is considered in their absence.

Standing items at each Board meeting include:

- Directors' Shareholding Register; and

- Directors' Standing Notice Register.

Chairman

The Board Charter requires the Chairman of the Board be appointed by the Directors, where possible be an independent non-executive director and may not be the same person as the CEO/MD.

During the year, the Company did have a Non-Executive Chairman in Mr. Michael Carter. Following Mr. Carter's resignation and due to the size of the Company's board, Mr. Crole was appointed Chairman.

Induction of new directors

The following protocols are in place to ensure that the Board is able to perform appropriately and discharge its duties efficiently:

- New Directors are fully briefed on the business, its financial position, any material risks, the structure and functions of the Board and the structure of Management and are provided with a copy of the Company's Corporate Governance documentation. A director induction plan is in place to facilitate this;
- Directors are given direct access to Management and the Company Secretary. These individuals are to provide Directors with any and all information reasonably requested of them in a timely and comprehensive fashion;
- Directors are given the opportunity to seek reasonable independent, external advice at the Company's expense if circumstances warrant such advice; and
- The Company offers Directors an opportunity to undertake relevant external professional development programs.

PRINCIPLE 3 – THE BOARD PROMOTES ETHICAL AND RESPONSIBLE DECISION MAKING

Sequoia Code of Conduct

The Sequoia Code of Conduct – Directors and Senior Management (the **Code**) outlines the standards of conduct expected of the business and its people, taking into account the Company's legal and other obligations to its stakeholders.

The Code and the Code of Conduct – Employees apply equally to all employees, contractors, directors and officers (collectively the **Employees**) of the Company and

all are responsible for ensuring that the conduct of employees in their charge complies with the Code.

As well as the legal and equitable duties owed by Employees, the purpose of these Codes is to:

- (a) Protect the health and safety of all employees, contractors and community members;
- (b) Recognise values and rewards the individual contribution of each employee;
- (c) Achieve a balance between economic development, maintenance of the environment and social responsibility;
- (d) Maintains good relationships with suppliers and the local community; and
- (e) Is honest, lawful and moral.

A copy of the Code has been posted on the Company's website.

PRINCIPLE 4 – THE BOARD SAFEGUARDS INTEGRITY IN CORPORATE REPORTING

Audit Committee

An Audit Committee has been established by the Board to protect the integrity of financial reports.

Role and responsibilities

The Audit Committee operates in accordance with a Charter adopted by the Board. The Charter sets out the roles and responsibilities as well as the structure and composition of the Audit Committee. The objectives of the Audit Committee are set out in the committee Charter, which is available to view on the Company's website.

Membership

The Board appoints the members of the Committee.

The Audit Committee's current membership and the independence of the members and details of Audit Committee meetings are set out earlier in this Statement.

The Audit Committee members are John Larsen (Chair); Garry Crole; and Scott Beeton.. Their background information is provided as noted earlier in the document.

The Corporate Governance Principles require the Company's Audit committee:

1. To be made up of three members, all of whom are non-executive directors and

a majority of whom are independent directors; and

2. chaired by an independent director, who is not the chair of the board.

The Company cannot comply with this recommendation as it does not have at least 3 independent directors on its board. The Company believes that given its size, complexity, corporate history the recommendation is not appropriate at this time.

CEO/MD and Chief Financial Officer (CFO) assurance

The Company has a requirement that the CEO/MD and CFO provide written assurance to the Board, prior to approval of the Company's financial statements for each financial period, that in their opinion, the Company's financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of Sequoia's financial position and performance, and that this opinion has been formed on the basis of a sound system of risk management and internal control which operates effectively.

External auditor

Sequoia's external auditor will attend the Company's Annual General Meeting in 2018 and will be available to answer questions from Shareholders on the conduct of the audit and the preparation and content of the external auditor's report; accounting policies adopted by Sequoia in relation to the preparation of the financial statements; and independence of the auditor in relation to the conduct of the audit.

PRINCIPLE 5 – THE BOARD MAKES TIMELY AND BALANCED DISCLOSURE

Sequoia Continuous Disclosure Policy

The Company has established a Continuous Disclosure Policy, a copy of which is posted on its website.

The objective of this policy is to:

- (a) Ensure that the Company is able to meet its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act; and
- (b) Establish internal procedures so that all Company personnel understand their obligations to ensure:
 - (i) confidential information is protected; and
 - (ii) disclose price sensitive information to the Company Secretary.

The overarching principle of this policy is governed by Listing Rule 3.1, which requires the Company to immediately notify the ASX of any information that a reasonable person would expect to have a material effect on the price or value of Sequoia's quoted securities, provided the information does not fall within the exception to disclosure under the Listing Rules. The Policy provides for the exceptions to Listing Rule 3.1 as outlined in Listing Rule 3.1A.

The Board is responsible for ensuring that Sequoia complies with its continuous disclosure obligations. It is a standing agenda item at all Board meetings to consider any information that must be disclosed to the ASX in accordance with the continuous disclosure obligations.

The Disclosure Policy also addresses media contact and comment, external communications including analyst briefings and responses to shareholder questions, and measures for responding to, or avoiding, the emergence of a false market in the Company's shares.

PRINCIPLE 6 – THE BOARD RESPECTS THE RIGHTS OF SHAREHOLDERS

Information about Sequoia

Sequoia provides information on its website about the Company and copies of the key governance charters and policies referred to in this Corporate Governance Statement. The Company's Annual Report also discloses the Company's interest in its subsidiaries.

Shareholder Communication and Investor Relations

The Company is committed to maintaining direct, open and timely communications with all shareholders. The board's policy is that shareholders are informed of all material developments that impact on the Company.

Information is communicated to shareholders through:

- The publication of the annual and interim financial reports;
- Disclosures to the ASX and the Company website under the *About Sequoia* tab;
- Notices and explanatory memoranda of Annual General and Extraordinary General Meetings;
- Updates and announcements to inform shareholders of key matters of interest issued on a needs basis; and
- Presentations to analysts (which are made available to all shareholders via the website).

Shareholder meetings

Sequoia's Annual General Meeting will be convened once a year, usually in October/November. In relation to its meetings of shareholders, an explanatory memorandum on the resolutions will be included with the Notice of Meeting and unless specifically stated in the Notice of Meeting, all shareholders will be eligible and are encouraged to vote on all resolutions. A copy of any investor presentation will be released to the ASX upon the commencement of the Annual General Meeting and the outcome of voting on resolutions at the meeting will be released to the market after the conclusion of the meeting. Both documents will also be posted on the Company website.

In the event that shareholders cannot attend formal meetings, they will be able to lodge a proxy in accordance with the Corporations Act.

Electronic communication with shareholders

Sequoia's shareholders are able to receive communications from, and send electronic communications to, Sequoia and its security registry electronically.

The Company encourages stakeholders to make contact via the email address admin@sequoia.com.au as outlined under the *Contact Us* tab on the Company's website. Further, the share registry's contact details are also outlined in this section of the website.

Shareholders are encouraged to elect to receive communications, including the Annual Report, Notice of Meetings and other Company information, electronically from the share registry. This election can be made through the share registry.

PRINCIPLE 7 – THE BOARD RECOGNISES AND MANAGES RISK

Risk and Compliance Committee

The Board is responsible for ensuring that sound risk management strategy and policies are in place. The Board has delegated to the Risk and Compliance Committee the responsibility for identifying and overseeing major risks and the establishment and implementation of the risk management system.

All material risks affecting the Company, including both financial and non-financial matters, are considered by the Risk and Compliance Committee. All Directors and senior management are encouraged to review the business for risk on an ongoing basis and to raise any risk issues of concern with members of the Risk and Compliance Committee. These protocols form the basis for the risk management system.

This committee will review and assess the Company's risk management framework annually and review the implementation, management and maintenance of appropriate enterprise-wide risk management systems, policies and procedures, reporting protocols and internal controls. A review of the risk management framework was conducted during the period.

The Corporate Governance Principles require the Company's Risk & Compliance committee:

1. to be made up of three members, a majority of whom are independent directors; and
2. chaired by an independent director.

And disclose:

3. the charter of the committee;
4. the members of the committee; and
5. the number of times the committee met throughout the period and the individual attendances of the members at those meetings.

The Company cannot comply with this recommendation as it does not have at least 2 independent directors on its board. The Company believes that given its size, complexity, corporate history the recommendation is not appropriate at this time.

Above, the Company has disclosed the members of the Risk and Compliance committee including their attendance to meetings during the period.

Management of risk

The Company has controls at the Company and operating group levels that are designed to safeguard the Company's interests and ensure the integrity of its reporting. These include accounting, financial reporting, tax risk management systems, safety, health and environment and other internal policies and procedures, which are directed at ensuring the Company fully complies with all regulatory requirements and community standards.

The Risk and Compliance Committee will review the effectiveness of the risk management system on an ongoing basis. The Risk and Compliance Committee is responsible for ensuring that the appropriate senior managers have established and implemented a risk management system throughout the organisation.

In addition to the above, the Company's external auditors provide the Risk and

Compliance Committee with a report detailing any identified risk items at the completion of each half-year and full-year review. The Risk and Compliance Committee discusses the report together with the auditors and any material items are referred to the Board.

Internal audit

The Company does not have an internal audit function. The CEO and CFO provide periodic reports to the Audit Committee on risk management and internal control processes relevant to the Company.

The Internal Audit function is overseen by the CEO and CFO who are primarily responsible for ensuring that:

- risks are managed by dedicated investment professionals with skills and knowledge of the markets and associated instruments within which they operate and trade;
- records and documentation are rigorously maintained to support the orderly execution of transactions and other management obligations;
- computer systems are in place to support the full management process including the timely provision of comprehensive management and reporting capabilities.

Disclosure regarding material exposure to specific risks

The Company is subject to risk factors that are both specific to its business activities and that are of a more general nature.

The Company does not currently have any material exposure to environmental or social sustainability risks. Sequoia manages its risk exposure in accordance with its internal enterprise wide risk management framework.

PRINCIPLE 8 – THE BOARD REMUNERATES FAIRLY AND RESPONSIBLY

Remuneration Committee

The Company has established a Remuneration Committee, the objective of which is to assist the Board fulfill its statutory fiduciary and regulatory role and achieve its objectives that the Company:

- (a) has a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties;

- (b) has coherent remuneration policies and practices to attract and retain executives and directors who will create value for shareholders;
- (c) observes those remuneration policies and practices; and
- (d) fairly and responsibly rewards executives having regard to the performance of the Group, the performance of the executives and the general external pay environment.

The Remuneration Committee operates pursuant to a charter which can be found on the Company's website.

The Board appoints the members of the Committee. The Remuneration Committee's current membership and the independence of the members are set out earlier in this Corporate Governance Statement.

The Corporate Governance Principles require the Remuneration Committee:

1. to be made up of three members, a majority of whom are independent directors; and
2. chaired by an independent director.

And disclose:

3. the charter of the committee;
4. the members of the committee; and
5. the number of times the committee met throughout the period and the individual attendances of the members at those meetings.

The Company cannot comply with this recommendation as it does not have at least 2 independent directors on its board. The Company believes that given its size, complexity, corporate history the recommendation is not appropriate at this time.

Above, the Company has disclosed the members of the Remuneration Committee including their attendance to meetings during the period. A copy of the Remuneration Committee's charter is available on the Company's website.

Remuneration Policies

The Company's Remuneration Policy is designed to ensure that the level and composition of remuneration is both competitive and reasonable. Remuneration is intimately connected to performance and is intended to be appropriate for the results delivered. The Company's policies are designed to attract and maintain

talented and motivated employees as well as raising the level of performance of the Company.

Remuneration of Executive Directors

Sequoia's Remuneration Policy is designed to attract, motivate and retain employees, including senior management, and ensure that the interests of the employees are aligned with those of the shareholders. In discharging its duties, the Committee reviews and makes recommendations to the Board on the remuneration of the MD/CEO, CFO, executive directors and other senior managers, including:

- Short and long-term remuneration, including both fixed remuneration and performance-based remuneration;
- Any termination payments; and
- Appropriate grants of securities under the Employee Option Plan and Employee Share Scheme.

In making its recommendations the Committee ensures that:

- Remuneration is set with reference to prevailing market rates for similar positions, adjusted to account for experience, productivity and ability;
- Remuneration packages are designed to motivate senior management to pursue the long-term growth and success of the Company; and
- A clear relationship exists between performance and remuneration.

Remuneration of Non-executive Directors

Non-executive directors are remunerated by way of fees that are set with reference to the prevailing market rates. They do not participate in the schemes designed for the remuneration of executives, nor do they receive bonus payments or any retirement benefits other than statutory superannuation.