

Appointment of Non-Executive Directors Policy

1. Nomination, Selection and Appointment of Non-Executive Directors

The Board of Credit Corp Group Ltd (Company) (Board) maintains the responsibility for the nomination, selection and appointment of non-executive directors and has put in place this policy and procedure for both the nomination of new directors and the re-appointment of existing non-executive directors.

2. Policy

As part of its succession planning responsibilities, the Board will annually review its composition against criteria set out in the Board Charter and will make recommendations for changes to ensure the requirements of the Board Charter are met.

At each Annual General Meeting (AGM) a minimum of one third of incumbent directors (excluding the managing director) are subject to retirement in accordance with the Company's constitution. Retiring directors are eligible for re-election subject to this policy.

Every director (excluding the managing director) shall retire from office no later than at the third annual general meeting following his or her last election in accordance with the Company's constitution and the ASX Listing Rules. Retiring directors are eligible for re-election subject to this policy.

New non-executive directors and retiring directors will be subject to the Company's procedure for selection and appointment of directors set out in this policy.

Non-executive directors appointed during the year to fill a casual vacancy will be subject to the procedure for re-appointment of directors before the next AGM after their casual appointment in accordance with the Company's constitution and the ASX Listing Rules.

Directors are not appointed for any specific term, however the Board will on an ongoing basis and taking into account a range of factors, including tenure as a Director, assess if a Director's independence from management and substantial holders may have been compromised.

Directors subject to retirement under the Company's constitution and the ASX Listing Rules are not automatically re-appointed.

3. Board review and assessment

At least annually, the Board shall:

- (a) Conduct its evaluations of the performance of the Board, its committees and individual directors. The results of the evaluations shall be collated by the Company Secretary and reported to the Board at the next Board Meeting;
- (b) Undertake a review of the current Board skills matrix to identify any gaps in its collective skills;
- (c) Assess the required skills, experience, expertise and levels of independence to make sure it covers the skills needed to address existing and emerging business and governance issues relevant to the Company both currently and in the foreseeable future; and
- (d) Conduct a review and update the criteria for Board membership.

4. Procedure for Board recommendations in relation to the re-appointment of non-executive directors

In relation to the re-appointment of a non-executive director who is eligible for re-election, the Board will:

- (a) assess the retiring director's skills against the current Board skills matrix and their performance evaluation undertaken as part of the most recent Board performance evaluation;
- (b) request the retiring director to provide details of their other commitments and an indication of time involved, and request them to specifically acknowledge that they will have sufficient time to continue to fulfil their responsibilities as a director; and
- (c) consider and make recommendations to the Annual General Meeting as to the reappointment or removal of the director and a summary of the reasons why.

5. Procedure for the appointment of new non-executive directors

Based on the regular review of the Board's composition, the Board's evaluation procedure and its necessary and desirable competencies, the Board may resolve to increase the number of directors to match the need for those competencies within the terms of the Company's Constitution.

The Board will use the following procedure when seeking new directors and when reviewing potential candidates:

- (a) Review the current Board skills;
- (b) Assess the skills, experience, expertise, diversity and levels of independence necessary that will best complement Board effectiveness both currently and in the foreseeable future;
- (c) Discuss and agree the criteria for selection;
- (d) Where appropriate, utilise the services of an independent executive search organisation to seek out appropriate candidates that meet the selection criteria;
- (e) Where appropriate, the Board will include in the list of candidates, persons who are put forward by members of the Board;
- (f) Identify any potential conflicts of interest and assess the independence of the candidate. This includes excluding from the selection process candidates who are restricted from being appointed as an officer of the Company because of their previous association with the Company's audit firm and who (where applicable) have not served the relevant 2 year cooling off period;
- (g) Assess detailed background information in relation to each potential candidate and carry out any appropriate background and experience checks. As part of this, the proposed candidate should provide details of their other commitments and an indication of time involved and specifically acknowledge to the Company that they will have sufficient time to fulfil their responsibilities as a Director of the Company;
- (h) Assess the final candidature list against the selection criteria;
- (i) Prepare the final list and agree on the candidate(s);
- (j) The Chairman will approach the selected candidate(s);
- (k) The Board will meet the candidate(s); and
- (l) The candidate is appointed in accordance with the decision of the Board, and the Company's constitution and will stand for election at the next AGM.

6. Meetings

The Board will meet annually and more frequently as necessary to review and consider the composition and competencies of the Board in accordance with this policy.

7. Review of this policy

The Board will review this policy annually to ensure it remains consistent with the Board's objectives and responsibilities.