



PROPERTY
CONNECT

Director Independence Policy

Property Connect Holdings Limited
ACN 091 320 464

Effective as at 27 July 2016

Director Independence Policy

Property Connect Holdings Limited and its subsidiaries (the “Company”)

An independent director is a non-executive director who is not a member of management and who is free of any business or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with – the independent exercise of their judgement.

It is the Board's policy that in determining a director's independence, the Board considers the relationships which may affect independence as set out in Box 2.1 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* as follows:

When determining the independent status of a director the Board should consider whether the director:

1. is a substantial shareholder¹ of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
2. is employed, or has previously been employed in an executive capacity by the Company or another group member, and there has not been a period of at least 3 years between ceasing such employment and serving on the Board;
3. has within the last 3 years been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided;
4. is a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
5. has a material contractual relationship with the Company or another group member other than as a director.

Family ties and cross-directorship may be relevant in considering interests and relationships which may affect independence, and should be disclosed to the Board.

¹For this purpose a “substantial holder” is a person with a substantial holding of 5% or more of the issued share capital of the Company from time to time.

For the purposes of determining materiality, the Board has agreed on the following guidelines for assessing the materiality of matters:

- Balance sheet items are material if they have a value of more than 5% of pro-forma net asset.
 - Profit and loss items are material if they will have an impact on the current year operating result of 5% or more.
 - Items are also material if they impact on the reputation of the Company, involve a breach of legislation, are outside the ordinary course of business, could affect the Company's rights to its assets, if accumulated would trigger the quantitative tests, involve a contingent liability that would have a probable effect of 5% or more on balance sheet or profit and loss items, or will have an effect on operations which is likely to result in an increase or decrease in net income or dividend distribution of more than 5%.
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