



Board Renewal and Evaluation Policy

1. Purpose:	3
2. Board Principle Relevant to Appointment of Directors	3
3. Board Renewal and Succession Planning	3
4. Board Evaluation	4
5. Board Committees	4
6. Monitor, Review and Reporting	5
7. Review Process	5

**MYSTATE LIMITED (MYS)
BOARD RENEWAL AND EVALUATION POLICY**

1. Purpose:

To describe the MyState Board Renewal and Evaluation process.

This Policy applies to all companies within the MyState Limited (MYS) group.

2. Board Principle Relevant to Appointment of Directors

Where it is proposed to appoint a new Director, the consideration of potential candidates shall take into account that the Board strives to achieve a balance of skills, tenure, experience, diversity, and perspective amongst its Directors.

Non-Executive Directors will retire once they have served a maximum of three 3-year terms after first being elected by shareholders unless invited by the Board to extend their tenure due to special circumstances.

3. Board Renewal and Succession Planning

The Board authorises the Group Nominations & Corporate Governance Committee to:

- Recommend to the Board from time to time, changes that the Committee believes to be desirable to the size and composition of the Board;
- Recommend individuals for nomination as members of the Board;
- Review and recommend the process for the election of the Chairman of the Board and, where appropriate recommend candidates to the Board and its Committees; and
- Review on a regular and continuing basis succession planning for the Chairman of the Board and make recommendations to the Board as appropriate.

4. Board Evaluation

The Board evaluates its performance in order to:

- discharge Director accountability to shareholders;
- improve Director relationships with shareholders;
- ensure Board harmony and dynamics;
- ensure Board processes are effective and efficient;
- add value to the Company;
- anticipate issues that may affect the Company in the future;
- assist with Board succession planning and skills assessment; and
- Review Board Committee membership.

The Company has adopted the following Board Evaluation Processes:

- Annual individual Director questionnaire developed by the Group Nominations & Corporate Governance Committee, approved by the Board and then distributed to Directors with results collated by the Company Secretary, for report to the Board.
- Chairman to hold one-on-one discussion with each member of the Board with the Chairman to report to the Board on the outcomes from this process.
- Group Nominations & Corporate Governance Committee to review the completed Board Skills Assessment matrix completed annually by Directors to assist the Board Succession Planning process, also overseen by the Group Nominations & Corporate Governance Committee. This review is designed to assist with deliberations regarding the Board's performance as a whole.
- Undertake an externally facilitated Board Performance Assessment process at least every three years.

5. Board Committees

Each Board Committee conducts an annual performance self-evaluation to review the performance against its Charter and goals set for the year. The suitability of the Charter and any areas for improvement are also assessed. The outcome of the performance self-evaluations, along with the plans and stated objectives for the new financial year, are submitted to the Group Nominations & Corporate Governance Committee (and, in the case of the Group Nominations & Corporate Governance Committee, to the Board) for discussion and approval.

6. Monitor, Review and Reporting

The Group Nominations & Corporate Governance Committee will annually review adherence to this Policy and report to the Board in this regard.

At the conclusion of the Board evaluation process, the Chairman will report to the Board, either verbally or in writing, identifying the issues and making recommendations for change.

MYS will disclose details of its Board Evaluation processes in its annual Corporate Governance Statement which is prepared and published each year in accordance with the requirements of the ASX Corporate Governance Council's "*Corporate Governance Principles and Recommendations*".

7. Review Process

The Group Nominations and Corporate Governance Committee has responsibility for the review of this policy, as required, and shall recommend any changes to the Board.

Document Control Details

Owner	Board and Company Secretary
Version	3.0
Reviewed By	Group Nominations and Corporate Governance Committee - March 2016
Approved By	MyState Limited Board – March 2016