

DIRECTOR APPOINTMENT POLICY

1. Introduction and Purpose

- 1.1. Directors should ensure the Company is properly managed to protect and enhance shareholder value, to meet the Company's obligations to all stakeholders including shareholders, and to comply with all the Company's legal obligations including compliance with the Corporations Act and ASX Listing Rules. In carrying out this duty, the Board should always be mindful of the need for establishing a Board that enhances the efficient and effective running of the Group.
- 1.2. A robust, formal and transparent process for the review and renewal of the Board and appointment of Directors is critical in ensuring Board composition continues to meet the needs of the Company, and to promote investor confidence that a robust and transparent process is occurring.
- 1.3. This document outlines the policy and procedure URB Investments Limited ("**URB**" or "**the Company**") will follow in determining the composition of the Board and making new director appointments.

2. Policy

- 2.1. The Board should have sufficient Directors to discharge its obligations. The majority of the Board should be independent, or be able to bring independent judgement to bear in the execution of their duties.
- 2.2. The Board should consist of members with the range of skills and qualities to meet its primary responsibility for promoting the success of URB and its subsidiaries in a way that ensures the interests of shareholders and stakeholders are promoted and protected.
- 2.3. Retiring directors will not be automatically re-appointed. Directors are appointed for a period of no more than three years and are subject to the selection and appointment procedures outlined below.
- 2.4. Board renewal is assured through a policy of regular Board skills matrix review (3.1.a) and 4.0) and special requirements for nomination after a director has served 9 years and/or three terms of office.
- 2.5. The Board is responsible for the appointment or re-appointment of all directors. When the Board deems it appropriate or when required by the ASX Listings Rules, the Board will establish a Remuneration and Nomination Committee to recommend such appointments to the Board.

3. Regular review of Board composition

- 3.1. The Board will regularly (at least annually) review the size and composition of the Board. This review should consider:
 - a) the Board's current skills and qualities compared to the desired skills matrix outlined in Annexure A;
 - b) the needs of the Company for the current business structure as well as considering the future; and
 - c) the balance of independence.

4. Requirements of potential directors

- 4.1. Potential Board candidates should:

- a) complement the current board composition – i.e. is there an appropriate mix of directors with financial expertise and relevant industry experience?
- b) have the required skills, knowledge and expertise to add value to the Board;
- c) provide the Board with further competencies and be able to provide independent and objective advice;
- d) have no material conflicts of interest with the Company;
- e) have a reputable standing in the business community; and
- f) be able to commit the necessary time to their position. In general, the maximum number of directorships or equivalent positions for an individual should not exceed five, unless the director can clearly demonstrate that they have the time to commit to additional appointments. Each non-executive director should specifically acknowledge to the Company prior to appointment or being submitted for election that they will be able to allocate sufficient time to fulfil their responsibilities as a director of the Company.

5. Selecting a candidate

- 5.1. The Board will generate a list of potential candidates. This list can be developed using the Directors' networks and/or by using the services of an independent executive search firm.
- 5.2. The Board will review the list of candidates to ensure they meet the requirements of the selection criteria and reflect the Board policy with respect to diversity. If no clear candidate stands out then a short list will be prepared and the Board, or a sub-committee thereof, will interview each short-listed candidate.
- 5.3. Where a sub-committee performs interviews of short-listed candidates, any preferred candidate identified by the sub-committee will be interviewed by the other directors.
- 5.4. Where there is a choice to be made between candidates, the Board has a responsibility to shareholders to enable a fair and professional comparative assessment of the candidates' skills and experience in light of identified Board needs, and to advise shareholders about the outcome of that assessment, with the objective that the election will result in the Board having the best mix of available skills to deal with the circumstances facing the Company. As such, the Board will, in a notice of meeting, recommend to shareholders eligible to vote any candidate/s it considers will best fit the current identified needs of the Board. If there are "open" proxy votes, the chairperson of the meeting will exercise those votes in favour of the Board's recommended candidate/s.
- 5.5. Once the Board has agreed on the preferred candidate to become a director, that person should be approached by the Chairman of the Company to provide a signed consent to act as a director of the Company.

6. Appointment of director

- 6.1. The appointment of directors is to include the determination of the terms, conditions, responsibilities and expectations of the position such that any potential candidate can fit the criteria which satisfy the objective of the appointment.
- 6.2. Non-executive directors should be appointed subject to the Company's Constitution, ASX Listing Rules and Corporations Act provisions.
- 6.3. The ultimate decision about who is elected to the Board is to be made by the shareholders.

- 6.4. Candidates' qualifications, professional experience, assertions and good standing will be verified prior to appointment, including but not limited to:
- a) professional qualifications directly with the issuing institutions;
 - b) all current board, executive and other relevant positions and assertions directly with the chair and/or most senior manager as appropriate;
 - c) professional assertions with referees, including at least one director/manager to whom the candidate reported. Referee profiles and contact details are retained; and
 - d) Appropriate police checks.
- 6.5. The Board must provide shareholders with all material information in the Company's possession relevant to a decision whether to elect or not to elect a director.

7. Requirements after director is appointed

- 7.1. Upon a candidate/s accepting nomination or appointment, the Board is responsible for ensuring that all nomination and appointment procedures comply with the Company's Constitution and the Corporations Act.
- 7.2. The Chairman and Company Secretary are responsible for ensuring that the new director is inducted and that they have every opportunity to increase their knowledge about the Company to ensure that they can participate in an effective manner in Board deliberations. This process is to be monitored by the Board.
- 7.3. The Chairman is responsible for ensuring that all appropriate documentation in relation to the appointment is finalised. This includes such items as minutes, voting and contract documentation.
- 7.4. If the appointment is made between general meetings, the agreed candidate is to be appointed to fill a casual vacancy or as an addition to the Board. In accordance with the constitution of URB, the director then holds office until the next annual general meeting and is eligible for election at that meeting.
- 7.5. ASIC must be notified within 28 days of the appointment of a director to the Board.
- 7.6. Under Listing Rule 3.16.1, the ASX must be notified immediately when there has been a change of Chairperson or appointment/resignation of a Director.

8. Letter of appointment

- 8.1. Once a candidate has given their formal consent and the Board has resolved to appoint them as a director, the Company will send out a letter of appointment. This appointment letter should include the following:
- a) the term of the appointment, including period, commencement date, the need to retire at the next annual general meeting (if applicable) and then by rotation, at least every three years;
 - b) board's expectations of the Director;
 - c) expected time commitment;
 - d) special duties relating to the Director's special knowledge and experience;
 - e) induction process;
 - f) procedure regarding conflict of interest;
 - g) remuneration;
 - h) superannuation arrangements; and
 - i) insurance arrangements.

Annexure A

The Board has determined that for the Board of URB to operate effectively in the discharge of its duties and responsibilities, it is desirable that the directors between them possess an appropriate balance of the following mix of skills, knowledge, experience, independence and diversity. This skills matrix will be reviewed by the Board from time to time, and maintaining the appropriate balance of the matrix is considered an essential part of the process of selecting Directors:

- experience in chairing boards, particularly for ASX-Listed entities;
- accounting experience;
- knowledge of the investment industry;
- knowledge and experience in managing investment funds for third parties;
- knowledge of and experience in the property industry;
- experience of doing business across a wide variety of Australian industries;
- network of contacts across a broad range of Australian businesses and industry groups;
- understanding of government policy-making process;
- understanding of infrastructure trends; and
- broad knowledge of and insight into Australian and international economic conditions and trends.