

# Stemcell United Limited

## CORPORATE GOVERNANCE POLICIES

### Performance Evaluation Policy

#### 1. General Principles

The Board will establish formal processes to review its own performance, the performance of individual directors, any committees of the Board and senior executives, annually.

The Chairman has the overall responsibility for evaluating the Board, any committees established and, when appropriate, individual directors.

#### 2. Board

The Chairman has the overall responsibility for evaluating the Board, any committees established and, when appropriate, individual directors deemed on an annual basis.

The annual review may include consideration of the following measures:

- comparison of the performance of the Board against the requirements of the Board Charter; assessment of the performance of the Board over the previous twelve months having regard to the corporate strategies, operating plans and the annual budget;
- review the Board's interaction with management;
- identification of any particular goals and objectives of the Board for the next year;
- review the type and timing of information provided to the directors; and
- identification of any necessary or desirable improvements to Board or committee charters.

The method and scope of the performance evaluation will be set by the Chairman and which may include a Board self-assessment checklist to be completed by each director. The Chairperson may also use an independent adviser to assist in the review.

#### 3. Committees

Similar procedures to those for the Board review should be applied to evaluate the performance of each of the Board committees, if any established.

An assessment will be made of the performance of each committee against each charter and areas identified where improvements can be made.

#### 4. Non-Executive Directors

The Chairman will have primary responsibility for conducting performance appraisals of non-executive directors in conjunction with them, having particular regard to:

- contribution to Board discussion and function;
- degree of independence including relevance of any conflicts of interest;
- availability for and attendance at Board meetings and other relevant events;
- contribution to Company strategy;
- membership of and contribution to any Board committees; and
- suitability to Board structure and composition.

20 May 2015

Where the Chairman, following a performance appraisal, considers that action must be taken in relation to a director's performance, the Chairman must consult with the remainder of the Board regarding whether a director should be counselled to resign, not seek re-election, or in exceptional circumstances, whether a resolution for the removal of a director be put to shareholders.