

DIRECTOR INDEPENDENCE

Premier Investments Limited has adopted the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (Fourth Edition) ("Recommendations") in relation to the definition of 'independence'.

The Recommendations state that an independent director is a non-executive director (i.e. is not a member of management) and:

- (a) is not a substantial shareholder of the entity or an officer of, or otherwise associated with, a substantial shareholder of the entity;
- (b) does not receive performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of the entity;
- (c) has not, within the last three years been a partner, director or senior employee of a provider of material professional services to the entity or any of its subsidiaries;
- (d) within the last three years has not been employed in an executive capacity by the entity or any of its subsidiaries, or has been a director after ceasing to hold any such appointment;
- (e) has not, within the last three years been in a material business relationship (e.g. as a supplier, professional adviser, consultant or customer) with the entity or any of its subsidiaries, or an officer of, or otherwise associated with someone with such a relationship;
- (f) has no material contractual relationship with the entity or its subsidiaries other than as a director of the company;
- (g) has no close personal ties with any person who falls within any of the categories described above; or
- (h) has not been a director of the entity for such a period that his or her independence may have been compromised.