



DIRECT VOTING RULES
Smartgroup Corporation Limited (Company)
ACN 126 266 831

1. Purpose

- 1.1 The Board has adopted these Rules relating to direct voting at any meeting of Members or class meeting of the Company in accordance with clause 9.22 of the Company's Constitution.
- 1.2 The purpose of these Rules is to facilitate Member engagement by permitting Members to directly vote at meetings without attending those meetings in person or by proxy (which may not always be practicable).
- 1.3 The Company is focused on encouraging Member engagement and participation, regardless of the geographic locations of Members.

2. Definitions

- 2.1 Except as otherwise specified, defined terms in these Rules have the same meaning given to them in the Company's Constitution.

3. Voting by Members

- 3.1 Votes by Members on a resolution at a meeting may be given:
 - (a) personally at the physical meeting;
 - (b) by proxy, representative or attorney; or
 - (c) by a valid notice of their voting intention (**Direct Vote**) where the Directors have determined that Members are entitled to vote by Direct Vote on that resolution at the meeting.
- 3.2 The Directors may determine that Members are not entitled to vote by Direct Vote on a resolution or resolutions at a meeting from time to time. Any determination made by the Directors will be final and binding.

4. One vote

- 4.1 A Member may only vote by one of the permitted methods in Rule 3 in respect of a share.
- 4.2 Without limiting Rule 5, if a Member casts a Direct Vote on a particular resolution they are taken to have revoked the authority of a previously authorised proxy to vote on their behalf on that resolution.

5. Priority of votes

- 5.1 Subject to Rule 6.1, if a Member attempts to cast more than one vote on a particular resolution in respect of the same share, only the last document received by the returning officer is to be taken to have been cast, irrespective of whether the vote cast is by way of Direct Vote or proxy.

6. Direct votes

6.1 A Member may cast a Direct Vote under Rule 3 either:

- (a) prior to the relevant meeting; or
- (b) during the relevant meeting by using electronic means as approved by the Directors in accordance with clause 9.22 of the Company's Constitution,

provided that if a Member has cast a Direct Vote or a proxy vote before the meeting, the Member will be entitled to attend and participate at the meeting but will not be entitled to vote again.

7. Direct voting instrument

7.1 If sent by post or fax, the Direct Vote must be signed by the Member or, if the Member is a corporation, either under seal or by a duly authorised officer, attorney or Representative.

7.2 The signing instructions for Members are as follows:

- (a) **Individual:** if the holding is in one name, the holder must sign.
- (b) **Joint holder:** if the holding is in more than one name, any one holder may sign.
- (c) **Companies:** if the company has a sole director who is also the sole company secretary, the Direct Vote must be signed by that person. If the company is a proprietary company, has only one director and does not have a company secretary, the Direct Vote must be signed by that director. Otherwise the Direct Vote must be signed by a director jointly with either another director or a company secretary.

7.3 If sent by electronic transmission, the Direct Vote is to be taken to have been signed if it has been signed or authorised by the Member in the manner approved by the Directors or specified in the notice of meeting.

7.4 If the voting form is lodged online, the Member must follow any instructions for online lodgement to enable electronic authentication. This will include a method for identifying the Member.

7.5 A Direct Vote includes any form of vote that the Directors may prescribe or accept, including by any electronic means.

8. Voting forms

8.1 The following rules will be applied by the Company when receiving voting forms:

- (a) if a single voting form contains instructions for both direct voting and appointment of a proxy, the Member will be taken not to have appointed a proxy and the authority of any proxy will be revoked. The Direct Votes will be counted; and
- (b) if a single voting form is received and neither the direct voting box nor the appointment of proxy box is selected, the Member will be taken to have appointed the person named in the form as proxy and if no person is named, the chairman of the meeting as proxy.

9. Joint holders

9.1 If more than one joint holder votes on a resolution, only the vote of the joint holder whose name appears first in the Register is counted.

10. Deposit of instrument

10.1 The Directors may prescribe the acceptance time for receipt of a Direct Vote by the Company.

10.2 For a Member to cast a Direct Vote prior to the relevant meeting, at least 48 hours before the time for holding the relevant meeting, an adjourned meeting or a poll at which a person proposes to vote, the Company must receive at its registered office, or such other place as is specified for that purpose in the notice of meeting, or be transmitted to a facsimile number at the Company's

registered office or a facsimile number or electronic address or other electronic means as specified for that purpose in the notice of meeting:

- (a) notice of their voting intention; and
- (b) any authority or power under which the Direct Vote was signed or a certified copy of that power or authority.

10.3 For a Member to cast a Direct Vote during the relevant meeting, an adjourned meeting or a poll at which a person proposes to vote, the Company must receive by the electronic means specified for that purpose in the notice of meeting, notice of their voting intention in a form of vote that the Directors may prescribe, along with any other information and documentation that the Directors may prescribe from time to time.

11. Form of the Direct Vote

11.1 A notice of a voting intention is valid if it contains the following information:

- (a) the Member's name or any applicable identifying notations such as the holder identification number or similar approved by the Directors or specified in the notice of meeting; and
- (b) the Member's voting intention on any or all of the resolutions to be put before the meeting.

12. Proportion or number of votes

- (a) A Member may include in the voting form the number of shares to be voted on any resolution by inserting the percentage or number of shares. Otherwise the instructions apply to all the shares held by the Member. If a Member attempts to vote in excess of their total number of shares, excess votes will be disregarded.
- (b) If a Member specifies a percentage or number of shares on the voting form in respect of a resolution, the Member's Direct Vote in respect of that resolution will be counted both for and against the resolution on a show of hands. Proportional votes can only be done either in a Members Direct Vote or by proxy (and not in both voting processes).

13. Validity

13.1 A vote cast in accordance with a Direct Vote is valid even if before the commencement of the meeting to which the vote relates or during the meeting (as applicable), the shareholder:

- (a) died;
- (b) became of unsound mind;
- (c) wished to change or withdraw their vote;
- (d) transfers the shares in respect of which the vote is given; or
- (e) revoked the appointment of the attorney who cast the Direct Vote on behalf of the Member or the authority under which the appointment was made by a third party,

unless written notification of the relevant event is received at the Company's registered office or share registry before the meeting or adjourned meeting in respect of which the Direct Vote was cast.

14. Chairman's decision

14.1 A decision by the chairman of the meeting as to whether a Direct Vote is valid is conclusive.

14.2 A Direct Vote cast on a resolution that is amended is taken to be a Direct Vote on that resolution as amended, unless the chairman of the meeting determines that this is not appropriate.

15. Attendance by a Member who has cast a Direct Vote before the meeting

- 15.1 A person who has cast a Direct Vote before the meeting is entitled to attend the meeting and/or participate in the meeting using the Company's online platform, however the Member is not able to vote again during the meeting.

16. Counting of Direct Votes

- 16.1 If a Direct Vote is cast in respect of a resolution, the chairman of the meeting must:
- (a) on a vote by show of hands relating to that resolution, count each Member who has submitted a Direct Vote for or against the resolution in accordance with their Direct Vote; and
 - (b) on a poll relating to that resolution, count the votes cast by each Member who has submitted a Direct Vote for or against the resolution in accordance with their Direct Vote, by the number of shares held by each Member.

17. Direct votes abstained

- 17.1 Direct votes abstained will not be counted in computing the required majority on a poll.

18. Call for a poll

- 18.1 The chairman of a meeting should call for a poll on a resolution where he or she believes that, having regard to the Direct Votes cast or proxies received, the result may differ from that obtained on a show of hands.

19. Certificate of Direct Votes cast

- 19.1 The chairman of a meeting must ensure that a certificate signed by the returning officer of Direct Votes received is available at the meeting ahead of any vote being taken.

20. Disclosure of Direct Votes

- 20.1 The following rules apply to the disclosure of Direct Votes:
- (a) at the meeting – Before the vote is taken at the meeting, the chairman of the meeting may inform the meeting whether any Direct Votes have been received and how the Direct Votes are to be cast. The procedure adopted will be the same as for the identification of proxy votes; and
 - (b) after the meeting – The number of Direct Votes received for and against each resolution must be included in the minutes of the meeting and should be notified to ASX. This should be combined with the lodgement of information in relation to proxy votes required under section 251AA(2) of the Corporations Act.

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