

Corporate Info

Policies

Charter for the Nomination Committee

1. Introduction

This Charter governs the composition, membership, roles and responsibilities of the nomination committee of the Company (**Committee**).

The operation of the Committee is also governed, where applicable, by the constitution of the Company.

2. Objectives

The purpose of the Committee is to provide recommendations to and assist the board of directors of the Company (**Board**) with respect to:

- (a) identifying nominees for directorships and other key executive appointments;
- (b) the composition of the Board;
- (c) ensuring that effective induction and education procedures exist for new Board appointees and key executives;
- (d) ensuring that appropriate procedures exist to assess and review the performance of the Chair, nonexecutive directors, senior management, Board committees and the Board as a whole; and
- (e) overseeing the adoption and application of the Company's Diversity Policy.

3. Composition

3.1 Members

The Committee must have a minimum of three members, with all of the members being non-executive directors.

The members of the Committee will be appointed and removed by the Board.

3.2 Expertise

Members of the Committee must have an appropriate level of understanding of:

- (a) the principles of corporate governance, including knowledge of the Australian Stock Exchange Limited's (**ASX**) Corporate Governance Principles and Recommendations;
- (b) the Company's businesses and organisation structure;
- (c) the functions of the Board and the various roles and responsibilities of directors and other key executive positions; and
- (d) Company management, at a senior management level.

3.3 Chairperson and Secretary

The Board shall appoint the chairperson (**Chair**).

The Company Secretary will act as secretary to the Committee (**Secretary**) unless determined otherwise by the Board.

4. Meetings

4.1 Frequency

The Committee will meet as frequently as required but must, at a minimum, meet twice each year.

The Secretary must call a meeting of the Committee if requested to do so by any member of the Committee or Board.

4.2 Agenda and notice

The Secretary will be responsible, in conjunction with the Chair, for drawing up the agenda (supported by any necessary explanatory documentation) and circulating it to Committee members prior to each meeting. The Secretary must notify members of the Committee of the date, time and location of Committee meetings as far in advance as possible, but not less than 3 business days before the meeting.

4.3 Quorum

A quorum for Committee meetings will be at least two members.

4.4 Minutes

The Secretary is responsible for taking minutes of each meeting and distributing them to Committee members as soon as practicable.

4.5 Attendance

The Committee may invite any person to attend part or all of any meeting of the Committee as it considers appropriate. Voting at Committee meetings is restricted to Committee members.

5. Objectivity

The Committee has the right to seek external advice at the cost of the Company when it considers such advice necessary in order to fulfil its responsibilities.

Management must supply the Committee with information in a form, timeframe and of a quality that will enable the Committee to effectively discharge its duties.

The Committee must ensure that it obtains sufficient information to enable it to make informed decisions with respect to the advice and recommendations it provides to the Board.

6. Responsibilities of the Committee

6.1 Nomination, appointment and removal

The Committee is responsible for:

- (a) identifying specific individuals for nomination for directorship and key executive roles; and

- (b) providing advice and recommendations to the Board with respect to the appointment and removal of directors and key executives.

The Committee must ensure that there is a formal process in place for selecting and appointing new directors and key executives and that the process is transparent.

6.2 Director competencies

The Committee is responsible for providing the Board with advice and recommendations regarding the ongoing development of:

- (a) a plan for identifying, assessing and enhancing director competencies; and
- (b) a succession plan that is designed to ensure that an appropriate balance of skills, experience and expertise is maintained on the Board.

Prior to identifying an individual for nomination for directorship, the Committee must evaluate the range of skills, experience and expertise currently existing on the Board to ensure that the Committee identifies the particular skills, experience and expertise that will best complement Board effectiveness.

6.3 Board composition

The Committee is responsible for ensuring that the Board is of a size and composition that allows for:

- (a) decisions to be made expediently;
- (b) a range of different perspectives to be put forward regarding issues before the Board;
- (c) a range of different skills, diversity and experience to be brought to Board deliberations; and
- (d) Board decisions to be made in the best interests of the Company as a whole rather than of individual shareholders or interest groups.

In determining the processes for identification of suitable candidates for appointment to the Board, the Committee will ordinarily ensure that its diversity aspirations for the Board are taken into account by considering a broad range of candidates with diversity of gender, age, nationality and geography.

6.4 Board commitment

The Committee is responsible for monitoring, on an ongoing basis, the time required from non-executive directors and the extent to which non-executive directors are meeting these requirements.

Prior to the nomination of prospective non-executive directors the Committee must obtain from the prospective candidate:

- (a) details of other commitments of the prospective candidate and an indication of the time involved; and
- (b) an acknowledgement that the prospective candidate will have sufficient time to meet the requirements of non-executive directors.

6.5 Election of directors

The Committee must ensure that any notice of meeting relating to the election of directors provides the Company's shareholders with the information necessary to allow the shareholders to make an informed decision on the election.

The Committee must ensure that non-executive directors are appointed for specific terms subject to re-election and to the ASX Listing Rules and the *Corporations Act 2001* provisions regarding the removal of directors.

6.6 Induction and education procedures

The Committee must implement an effective induction process for new Board appointees and key executives. The induction process must include:

- (a) information about the Company;
- (b) information about the industry within which the Company operates; and
- (c) an induction program that enables new directors and executives to gain an understanding of:
 - (i) the Company's financial, strategic, operational and risk management position;
 - (ii) their rights, duties and responsibilities; and
 - (iii) the role of any Board committees.

The Committee must review the induction process annually to ensure that it is up to date and effective.

The Committee must ensure that Board appointees and executives have access to continuing education to update and enhance their skills and knowledge. This may include education concerning key developments in the Company and within the industry and environments within which it operates.

6.7 Evaluation and review

The Committee is responsible for the:

- (a) evaluation and review of the performance of the Board against both measurable and qualitative indicators to be established by the Committee;
- (b) evaluation and review of the performance of individual directors against both measurable and qualitative indicators to be established by the Committee;
- (c) review of and making of recommendations on the size and structure of the Board; and
- (d) review of the effectiveness and programme of Board meetings.

7. Diversity

The Committee's responsibilities with respect to diversity are as follows:

7.1 Diversity Policy

- (a) Recommend the Board approve and adopt a policy to promote the development of a diverse Board, management and workforce (**Diversity Policy**), including measurable objectives with respect to diversity.
- (b) Review the Diversity Policy on an annual basis to confirm that the Diversity Policy remains consistent with the Board's objectives and responsibilities with respect to creating and maintaining a diverse Board, management and workforce, as well as compliance with external corporate governance and legal requirements with respect to diversity.
- (c) Set measurable objectives and strategies to meet the objectives of the Diversity Policy.
- (d) Monitor performance against the objectives of the Diversity Policy, measurable or otherwise and report to the Board:

- (i) on progress against the Measurable Objectives (as defined in the Diversity Policy) on a 6 monthly basis; and
- (ii) on the achievement of the objectives of the Diversity Policy annually.

7.2 External Monitoring

Have regard to external staff resourcing trends and metrics, including where appropriate trends and metrics from peer companies and industry, in discharging its responsibilities in relation to diversity.

7.3 Reporting on diversity

- (a) Monitor reporting on performance against the Measurable Objectives of the Diversity Policy.
- (b) Make recommendations to the Board in relation to disclosure of information in accordance with the Diversity Policy.

8. Access to information

In order to ensure the Board is able to discharge its responsibilities properly, the Committee should establish a process whereby directors:

- (a) can obtain independent professional advice when necessary at the expense of the Company;
- (b) are encouraged to, and in fact actively, request additional information where they consider that the information supplied by internal or external sources is insufficient to allow them to make informed decisions; and
- (c) can access the Company Secretary whenever required.

9. Reporting

9.1 Reporting to the Board

The Committee must report to the Board, at the first Board meeting subsequent to each Committee meeting, regarding the proceedings of each Committee meeting, the outcomes of the Committee's reviews and recommendations and any other relevant issues.

9.2 Annual report

The Committee must provide the Board with advice and recommendations regarding the appropriate material and disclosures to be included in the corporate governance section of the Company's annual report which relates to the Company's nomination policies and procedures, information concerning the directors and the performance evaluation of the Board.

9.3 Public availability of materials

The Committee must ensure that the following material is made publicly available on the Company's website in a clearly marked corporate governance section:

- (a) a copy of this Charter;
- (b) a description of the procedure for selecting and appointing new directors and the re-election of incumbent directors; and
- (c) the Board's policy for the nomination and appointment of directors.

10. Review of the Charter

This Charter shall be reviewed annually and revised by the Board as required.

This Charter for the Nomination Committee was adopted by the Board on 8 September 2009.

Last reviewed by the Board on 21 September 2011