

## **A5. Nominations Committee Charter**

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### **Terms of Reference**

#### **3. Remit**

To oversee and act as a recommending, monitoring and review forum of the Board in connection with:

- (a) Board member, Chair, Board Committee, Board Committee chairs and CEO identification, succession planning, evaluation/review, induction and professional development;
- (b) Diversity policy.

#### **4. Scope**

The scope of the Nominations Committee remit will include, but not be limited to matters of:

(a) Board Membership

- Board and Board Committee membership, succession planning and performance including through the development and use of a board skills matrix (or like tool):
  - assessing the mix of skills, experience and diversity that the Board is looking to achieve in the Board's membership;
  - assessing the mix of skills, experience and diversity currently represented on the Board;
  - establishing processes for the identification and recruiting of suitable candidates for appointment to the Board, including (as appropriate) preparing a description of the role and capabilities required for a particular appointment, and for re-election of existing Directors (as applicable);
  - assessing the "independence" of each non-executive Director, at least annually, including at or around the time of consideration of Director elections, and as soon as practicable after any material change in relevant circumstances;
  - reporting to the Board with a view to the Board regularly assessing whether the "independence" of a Director, including any director who has served as a Director for more than 10 years, has been compromised;
- Consideration of prospective Board member suitability for candidacy having regard to the checks and matters referred to in Section 2.2(a)(ii) of the Company's Governance Charter;
- Board Committee terms of reference review and recommendations including with respect to appointments to Board Committees;
- Development and implementation of a process for evaluation of Board, Committee and Director performance;
- Board member induction and professional development including:

- regularly reviewing whether the Directors as a group have the skills, knowledge and familiarity with the Group and its operating environment required to adequately fulfil their role on the Board and its Committees effectively;
  - where gaps are identified, consider what training or development could be undertaken to fill the gaps;
  - where necessary, providing resources to help develop and maintain its Directors' skills and knowledge (including accounting and financial skill and knowledge development for directors without specialist accounting or financial skills or knowledge to ensure their sufficient understanding of accounting and financial matters to fulfil their responsibilities with respect to the Group's financial statements).
- Regularly reviewing the time and commitment required of its non-executive Director and whether Directors are meeting the Company's requirements in that respect.

(b) CEO and Senior Executives

- Periodic review of the job description and performance of the CEO according to agreed performance parameters;
- Plans for succession planning for the CEO position;
- Involvement in complaints, grievance and disciplinary processes of senior executives.
- Support and counsel to the CEO (as required) with respect to senior executive recruitment, performance and succession planning.

(c) Diversity

- Diversity policy development, monitoring and review;
- Development, monitoring and review of strategies and programs to promote diversity in the Group consistent with such diversity policy;
- Monitoring the implementation by the Group of such diversity strategies and programs consistent with such diversity policy.

(d) Generally

- Reporting on these matters to the Board, with recommendations as appropriate.
- The Committee has the authority to access information and to consult with and interview Group personnel and to consult independent professional advisers it considers appropriate to provide advice on matters within the scope of its remit.

The Nominations Committee may be requested by the Board to perform other related tasks.

## 5. Governance

The pro forma template of governance structure and procedural workings for Committees in accordance with the Company's Corporate Governance Charter applies to the Committee subject to the following:

(a) Membership of the Committee

- (i) Members (at least 3 appointed by the Board, the majority of whom should be independent non-executive Directors)
  - Committee Chair – an independent non-executive Director

- Other members – at least 2 other non-executive Directors
- (ii) Special requirements (if any)
- desirably Committee Members may have some experience in HR and governance;
  - the Company's HR executive may be invited to Committee meetings at the direction of the Committee chair;
  - when dealing with Board Chair succession, the Board Chair should not chair that meeting of the Committee while that matter is being deliberated upon;
  - the following executive officers will generally be available to attend Committee meetings at the discretion of the Committee:
    - CEO

(b) Other Special Provisions

- The Board skills matrix developed under Section 2(a) of this Committee charter is to be disclosed on the Company's web-site or in its annual report (without attribution to particular Directors), although commercially sensitive information need not be disclosed.

## **A6. Remuneration Committee Charter**

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### **Terms of Reference**

#### **1. Remit**

To oversee and act as a recommending, monitoring and review forum of the Board in connection with Board member, CEO and senior executive remuneration.

#### **2. Scope**

The scope of the Remuneration Committee remit will include, but not be limited to matters of:

(c) Generally

- Reviewing prevailing external remuneration benchmarks for comparable positions, with comparable responsibilities, within comparable companies (revenue, employees, size and spread) including in comparable industries to that of the Group;
- Assessing appropriate remuneration policies, levels and packages for Board members, the CEO, and (in consultation with the CEO) other senior executive and managerial officers;
- Monitoring the implementation by the Group of such remuneration policies;
- Recommending to the Board the Company's remuneration policies so as to:
  - motivate Directors, executives and management to pursue the long-term growth and success of the Company within an appropriate risk and control framework;
  - for executive and senior management personnel, demonstrate a clear relationship between performance and remuneration;
- Reviewing and considering for recommendation to the Board:
  - equity based remuneration plans for senior executives and other employees;
  - superannuation arrangements generally;
  - whether there is any gender or other inappropriate bias in the Company's remuneration policies or practices;
  - short term incentive and long term incentive arrangements for executives.

(d) CEO

- Assess, at appropriate and regular intervals, a suitable remuneration and reward package for the CEO in relation to prevailing external practice, internal affordability, performance against goals, and other relevant matters;
- Liaise with Nominations Committee with respect to its functional mandate concerning the CEO and the CEO's performance;

(e) Non-Executive Board Members

- Reviewing and recommending to the Board the appropriate level of the shareholder approved “Directors’ Remuneration Pool”;
- Reviewing and recommending to the Board, within the limits of that Pool, an appropriate remuneration framework including the remuneration levels for the Chair, the Deputy Chair (if any) and non-executive Directors, and any supplements to those remuneration levels for Committee participation including for chairs of Committees;
- Recommending any occasions where extra remuneration for extra services or special exertion is appropriate.

(f) Generally

- Reporting on these matters to the Board, with recommendations as appropriate;
- The Committee has the authority to access information and to interview and consult Group personnel and consult independent professional advisers it considers appropriate to provide advice on matters within the scope of its remit;
- Remuneration packages for executives and managers may include equity schemes, incentive performance packages, superannuation entitlements, fringe benefits and any other items considered appropriate by the Committee.

The Remuneration Committee may be requested by the Board to perform other related tasks.

### 3. Governance

The pro forma template of governance structure and procedural workings for Committees in accordance with the Company’s Corporate Governance Charter applies to the Committee subject to the following:

(a) Membership of the Committee

(i) Members

- Committee Chair – an independent non-executive Director
- Other members – at least 2 other non-executive Directors

(ii) Special requirements (if any)

- Desirably Committee Members may have some experience in HR, remuneration and governance;
- The Company’s HR executive may be invited to attend Committee meetings at the discretion of the Committee chair with the following executive officers generally being available to as needed:
  - CEO;
  - HR Manager.
- No executive should be involved in deciding, or be present while the Committee decides, that executive’s remuneration;
- The Committee should be alive to the potential for conflict of interest in Directors or executives being involved in the setting of remuneration for others that may indirectly affect their own remuneration (e.g. through setting benchmarks and because of relativities).

(b) Other Special Provisions

N/A

## **A7. Audit Committee Charter**

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### **Terms of Reference**

#### **1. Remit**

To oversee and act as a recommending, monitoring and review forum of the Board in connection with:

- (a) the Group's financial position, performance and reporting integrity; and
- (b) internal and external audit functions of the Group;

#### **2. Scope**

The scope of the Audit Committee's remit will include, but not be limited to:

(c) Financial Statements and Reporting

- (i) Overseeing the adequacy of the Company's corporate reporting processes;
- (ii) Overseeing whether the Company's financial statements reflect the understanding of the Committee members and whether in their opinion they provide a true and fair view of the financial position and performance of the Group;
- (iii) Reviewing, the appropriateness of relevant accounting judgements or choices exercised by management in preparing the financial statements.

(d) External Audit

- (i) Recommending selection, removal (as appropriate) and remuneration of external Auditor and to monitor external Auditor independence;
- (ii) Providing instruction to the external Auditor including ensuring the scope and adequacy of the external audit;
- (iii) Overseeing the availability of any assistance as reasonably required by the external Auditor;
- (iv) Receiving external Auditor's preliminary Audit or Review Reports;
- (v) Overseeing and monitoring implementation of external Auditor's recommendations (as accepted);
- (vi) Ensuring that the audit approach covers all financial statement areas where there is a perceived risk of material misstatement;
- (vii) In monitoring external Auditor independence, the Committee will have regard to any legislative or regulatory requirements, and the following principles:
  - It is mandatory that the Audit Partner responsible for the Audit be rotated at least every five years with at least two years expiring before the Audit Partner can again be involved in the Audit of the Group;
  - Monitor the number of former employees of the external Auditor who were involved in auditing the Group and who are currently employed

in senior financial positions in the Group (if any), and assess whether this impairs or appears to impair the Auditor's judgement or independence in respect of the Group. An individual who was engaged by the external Auditor and participated in the Group's audit shall be precluded from employment as CEO or CFO of the Group for a period of at least 12 months from the time of the audit;

- Consider whether taken as a whole, the various relationships between the Group and the external Auditor and the economic importance of the Group (in terms of fees paid to the external Auditor for the Audit as well as fees paid to the external Auditor for the provision of non-Audit services) to the external Auditor impair or may appear to impair the Auditor's judgement or independence in respect of the Group;
  - Ensure the Group does not engage its external Auditor for certain non-audit services (e.g. bookkeeping, financial information systems design, valuations, actuarial services, internal audit outsourcing, human resources and audit non-related legal/expert services) where such work, or the aggregate of such works, or the fees therefrom, may otherwise prejudice or compromise the Auditor's independence. Any proposal to grant the external Auditor non-prohibited non-audit services will be referred to the chair of the Audit Committee by management prior to granting the work;
- (viii) The Committee will meet at times with the external Auditors without the presence of management;

(e) Internal Audit

- (i) Overseeing and monitoring the scope and adequacy of the Company's internal controls and compliance requirements to assure integrity in the Company's operations and affairs;
- (ii) Assessing the need, or otherwise, for the Company to have a dedicated internal audit charter, internal audit plan and/or internal auditor (and if so approving such charter, plan and appointment of the internal auditor);
- (iii) Approving and ensuring resourcing of the internal audit function, as appropriate, including recommendations as to budgetary allocation for staffing and external consulting support (as necessary);
- (iv) Reviewing and assessing the performance and objectivity of the Company's internal audit function, as applicable.

(f) Generally

- (i) Overseeing and monitoring application of accounting policies and reporting of financial information to security holders, regulators and generally;
- (ii) Reporting on these matters to the Board, with recommendations as appropriate;
- (iii) The Committee has the authority to access information and interview and consult with and interview Group personnel, the external auditor, the internal auditor (if any) and also to consult independent professional advisers it considers appropriate to provide advice on matters within the scope of its remit (with or without management present).

The Audit Committee may be requested by the Board to perform other related tasks.



### 3. Governance

The pro forma template of governance structure and procedural workings for Committees in accordance with the Company's Corporate Governance Charter applies to the Committee subject to the following:

#### (a) Membership of the Committee

- (i) Members (at least 3 appointed by the Board, the majority of whom shall be independent non-executive Directors)
  - Chair – an independent non-executive Director and who is not the Board Chair;
  - Other members – at least 2 other non-executive Directors
- (ii) Special requirements (if any)
  - all Committee members must be non-executive;
  - Committee members between them should have accounting/financial expertise and sufficient understanding of the Group's industry to effectively discharge the Committee's mandate;
  - desirably Committee members should at least be financially literate;
  - the Committee chair should have financial or accounting expertise or experience and should not be the Board Chair;
  - the following executive officers will generally be available to attend Committee meetings at the discretion of the Committee:
    - CEO
    - CFO.

#### (b) Other Special Provisions

- (i) The Company will disclose on its web-site or in its annual return:
  - (A) the relevant qualifications and experience of the members of the Audit Committee;
  - (B) with respect to the Company's internal audit function:
    - whether it has one;
    - if it does have one, how it is structured and the role it performs;
    - if it does not have one, that fact as well as the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes;
- (ii) If the Company has an internal audit function, the Committee will ensure that the head of that function has a direct reporting line to the Audit Committee and the Board;
- (iii) Attachment 1 to this Appendix applies with respect to the selection and appointment of the external auditor.
- (iv) The Committee will periodically review the external auditor's performance, at least annually. As part of this review, the Committee will obtain feedback from the CEO, CFO and other members of senior management regarding the quality, efficiency and effectiveness of the audit service.

## Attachment 1

### **Procedure for the selection, appointment and rotation of an external auditor and the undertaking by the auditor of non-audit services (incorporated as part of the Audit Committee's Charter)**

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#### **1. Introduction**

The Board is responsible for the preliminary appointment of the external auditor which is to be ratified by shareholders at the next annual general meeting.

The Board's Audit Committee ("**Committee**") is delegated the task to meet and determine the process by which the auditor should be selected eg. by way of a formal tender or some other method.

The Committee conducts the selection process and recommends a preferred external auditor to the Board. The Board may endorse the external auditor recommended by the Committee and appoint him/her. Alternatively the Board may wish to review the recommendation of the Committee.

At the request of the Committee, the CFO and/or CEO may assist the Committee in the selection and appointment process including by proposal of an external auditor, together with a written supporting submission.

#### **2. Tender**

(a) Request for submissions

If the Committee elects to undertake a tender process, the CEO or CFO will prepare or cause to be prepared a draft request for submissions that will be reviewed for approval by the Committee (with such changes as it considers appropriate).

The request should contain sufficient information to enable a proposal and fee estimate to be given to the Company. The request should include information about the Group, its operations, its key personnel, its structure, its financials and any other relevant information.

The CEO or CFO may arrange for candidates to meet with a selection panel appointed by the Committee.

(b) Selection Panel

The selection panel will comprise nominated members of the Committee, and any other person the Committee considers appropriate to assist it to assess the suitability of the external auditor.

#### **3. Selection Criteria**

The preferred external auditor should best satisfy the selection criteria identified by the Committee including:

(a) Fees

A candidate should provide a firm fee quotation for its audit services. However price will be but one of the relevant factors in the selection of a preferred external auditor.

(b) Independence

A candidate must satisfy the Committee that it is independent and outline the procedures it has in place to maintain its independence.

The external auditor must be independent from, and be seen to be independent from, the Group.

(c) Scope of audit/issues resolution

A candidate should outline its response to the scope of audit in the request for submissions and any proposed procedures to address any issue of material significance or matter of disagreement with the Company's management.

The external auditor and the CFO will be required to disclose to the Committee all such issues of material significance and all matters of disagreement, whether resolved or unresolved.

(d) Non-audit work

A candidate must detail its approach to the provision of non-audit related services to the Group. Generally such work should be at most not be material so as to compromise the independence of the auditor.

If proposed otherwise, the Committee must consider the circumstances in which the Company might use the external auditor for non-audit services. Matters to be considered include the extent, scope and potential value of non-audit fees and any circumstance where the external auditor may be required to review and rely upon work conducted by it in a non-audit capacity.

The scope of non-audit work must not be allowed to impinge upon the external auditor's independence (refer also paragraph 4 below).

(e) Other matters

The selection criteria may include such other matters as the Committee thinks fit.

#### **4. Policy on audit and non-audit services**

The Committee adopts the following policy concerning the circumstances in which the Company may use the external auditor for other services:

- (a) the external auditor may provide audit and audit-related services that, while outside the scope of the statutory audit, are consistent with the role of auditor;
- (b) the external auditor should not provide services that are perceived to be materially in conflict with the role of auditor;
- (c) the external auditor may be permitted to provide a limited number/value of non-audit services that are perceived to be not materially in conflict with the role of auditor, subject to the approval of the Committee;
- (d) exceptions may be made to the policy (with specific Board approval) where the variation is in the best interests of the Company and arrangements are put in place to preserve the integrity of the external audit process.

#### **5. Rotation of external audit engagement partner**

The Committee will ensure that the external auditor has in place arrangements for rotation of the audit engagement partner.

The audit engagement partner for the audit must rotate at least every 5 years.

**6. ASX Corporate Governance Council Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition) (“Recommendations”)**

This procedure will be read and construed in compliance with the Recommendations. To the extent to which the Recommendations prescribe specific criteria, protocols or requirements with respect to the external audit function or the appointment or performance of the external auditor, then those criteria, protocols or requirements will prevail.

## **A8. Risk Committee Charter**

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### **Terms of Reference**

#### **1. Remit**

To oversee, review and act as a recommending, monitoring and review forum of the Board with respect to risk identification, management and mitigation within the Group.

#### **2. Scope**

The scope of the Risk Committee's remit will include, but not be limited to:

- (a) Risk Management
  - (i) Recommending the Group's appetite and tolerance for risk;
  - (ii) Endorsing and monitoring the Group's risk management framework;
  - (iii) Monitoring and endorsing policies for identifying and managing/mitigating/transferring risk including in accordance with the Group's risk management policy (refer [Appendix B5](#) of the Company's Corporate Governance Charter);
  - (iv) Monitoring and endorsing policies for business continuity and crisis planning risk management;
  - (v) Receive ongoing risk management reports;
  - (vi) Review of risk management framework, policies and management processes at least annually to allow the Committee to satisfy itself that they are sound, address contemporary risk issues and remain relevant.
- (b) Insurance
  - (i) Review and ensure the Group carries appropriate levels of insurance;
  - (ii) Review and monitor terms of insurance policies.
- (c) Generally
  - (i) Reviewing and reporting on these matters to the Board, with recommendations, as appropriate, including as to:
    - the adequacy of the Company's processes for managing risk;
    - any incident involving fraud or other breakdown of the Company's internal controls;
    - the Group's insurance program, including having regard to the Group's business and the insurable risks associated with its business;
  - (ii) The Committee has the authority to access information and consult with and interview Group personnel, internal auditors and external auditors and also to consult independent professional advisers it considers appropriate to provide advice on matters within the scope of its remit.

The Risk Committee may be requested by the Board to perform other related tasks.

### 3. Governance

The pro forma template of governance structure and procedural workings for Committees in accordance with the Company's Corporate Governance Charter applies to the Committee subject to the following:

(a) Membership of the Committee

(i) Members

- Committee Chair – an independent non-executive Director
- Other members – at least 2 other non-executive Directors

(ii) Special requirements (if any)

- The Committee chair is an “independent” non-executive Director;
- Desirably Committee Members should have knowledge or experience in risk management and/or insurance with the necessary technical knowledge and sufficient understanding of the Group's business and the industry in which the Group operates to be able to effectively discharge the Committee's mandate;
- The following executive officers will generally be available to attend Committee meetings at the discretion of the Committee:
  - CEO
  - CFO
  - COO

(b) Other Special Provisions

(i) Disclosure

The Company must disclose in its annual report (or on its web-site) in relation to the relevant reporting period for each annual report:

- that the review in the terms of paragraph 2(a)(vi) above has taken place;
- any insights it has gained from the review and any changes made to its risk management framework as a result.

(ii) N/A