



# ASHLEY SERVICES GROUP

TRAINING | RECRUITMENT | LABOUR HIRE

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## **Nomination Committee Charter**

**Ashley Services Group Limited**

ACN 094 747 510



## Nomination Committee Charter

### 1. Introduction

- 1.1 This Charter governs the composition, membership, roles and responsibilities of the Nomination Committee (**Committee**) of Ashley Services Group Limited ACN 094 747 510 (the **Company**).
- 1.2 The operation of the Committee is also governed, where applicable, by the constitution of the Company (**Constitution**).

### 2. Objectives

- 2.1 The purpose of the Committee is to provide recommendations to, and to assist the board of directors of the Company (**Board**) with respect to:
- (a) identifying nominees for directorships and other key executive appointments;
  - (b) the size and composition of the Board;
  - (c) ensuring there are plans in place to manage the succession of the chief executive officer (**CEO**) and other senior executives;
  - (d) ensuring that effective induction and continuing professional education programs are in place for new Board appointees and key executives; and
  - (e) ensuring that appropriate procedures exist to assess and review the performance of the chairperson (**Chair**), non-executive directors, senior and key officers of the Company (**Senior Executives**), Board Committees and the Board as a whole.

### 3. Composition

#### 3.1 Members

- (a) To the extent reasonably practicable given the size and composition of the Board from time to time, the Committee will consist of non-executive Directors and have a minimum of three members, with the majority of members being non-executive directors, and ideally independent, directors.
- (b) The members of the Committee will be appointed and removed by the Board.
- (c) The Committee should be of sufficient size and independence to discharge its mandate effectively.

#### 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 Securities Exchange (**ASX**) Corporate Governance Council's 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 Senior Executives; and
- (d) Company management, at a senior management level.



### 3.3 Chair and Secretary

- (a) To the extent reasonably practicable given the size and composition of the Board from time to time, the Committee will be chaired by the Chair of the Board, except when considering their own succession, or an independent director.
- (b) The Company secretary (**Secretary**) will act as secretary of the Committee unless determined otherwise by the Board.

## 4. Meetings

### 4.1 Frequency

- (a) To the extent reasonably practicable given the size and composition of the Board from time to time, the Committee will meet as frequently as required but must, at a minimum, meet twice a year.
- (b) 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 seven days before the meeting.

### 4.3 Quorum

To the extent reasonably practicable given the size and composition of the Board from time to time, a quorum for Committee meetings will be at least two members, save that one of the members of the quorum must be a non-executive director and ideally an independent director.

### 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

- 5.1 The Committee has the right to seek internal and external advice when it considers such advice necessary in order to fulfil its responsibilities.
- 5.2 Senior Executives must supply the Committee with information in a form, timeframe and of a quality that will enable the Committee to effectively discharge its duties.
- 5.3 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 Senior Executive roles; and
- (b) providing advice and recommendations to the Board with respect to the appointment and removal of directors and Senior Executives.

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

At least annually, the Committee considers the competencies, skills and experience of the Board and the Senior Executives. If it is agreed that new directors and/or Senior Executives are needed:

- (a) a Committee member/s will be assigned to oversee the selection and appointment of a new director, and the CEO will oversee selection and appointment of new Senior Executives;
- (b) a position description will be prepared for the respective role and approved by the Committee;
- (c) industry contacts will be sourced to procure candidates and recruitment agencies will be engaged;
- (d) resumes and other related information for a new director will be circulated to all directors for consideration. Resumes and other related information for a new Senior Executive will be reviewed by the CEO and at least one (other) director;
- (e) all prospective new Directors will meet and be interviewed by at least two directors. All prospective new Senior Executives will meet and be interviewed by the CEO and at least one (other) director.
- (f) the Committee will approve all new director and Senior Executive appointments.

### 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 most effectively complement the Board's current composition.

- 6.3 The Committee is responsible for developing and maintaining a Board skills matrix setting out the mix of skills that the Board currently has or is looking to achieve. This matrix will include the criteria set out in section 10.1. 'Board composition'.



The Committee is responsible for ensuring that:

- (a) the Board is of a size and composition that allows for:
  - (i) decisions to be made expediently;
  - (ii) a range of different perspectives to be put forward regarding issues before the Board;
  - (iii) a range of different skills to be brought to Board deliberations; and
  - (iv) Board decisions to be made in the best interests of the Company as a whole rather than being made in the interests of individual shareholders or interest groups;
- (b) the internal board limit set by the Board in accordance with the *Corporations Act 2001* (Cth) and the Company's Constitution is appropriate given the nature and size of the Company;
- (c) the Board collectively has the range of expertise laid out in section 3.3 of the Board Charter (reproduced at section 10.2 below); and
- (d) to the extent reasonably practicable, the Board is comprised of a majority of independent non-executive directors whose 'independence' is assessed at least annually at or around the time that the board or the Committee considers candidates for election or re-election to the Board.

#### 6.4 Board commitment

The Committee is responsible for monitoring, on an ongoing basis, the time required for non-executive directors to adequately fulfil their duties and the extent to which non-executive directors are meeting these time 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 to meet these requirements; and
- (b) an acknowledgment that the prospective candidate will have sufficient time to meet the requirements of a non-executive director with the Company.

The Committee will ensure all directors consult with the Chair on an ongoing basis before accepting any additional commitments that could conflict with or impact on the time directors can devote to their role.

#### 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* (Cth) provisions regarding the removal of directors.

#### 6.6 Induction and continuing education procedures



- (a) The Committee must implement an effective induction process for new Board appointees and Senior Executives. This induction process must include:
  - (i) information about the Company;
  - (ii) information about the industry within which the Company operates; and
  - (iii) an induction program that enables new directors and executives to gain an understanding of:
    - (A) the Company's financial, strategic, operational and risk management position;
    - (B) their rights, duties and responsibilities; and
    - (C) the role of any Board committees.
- (b) The Committee must review the induction process annually to ensure that it is up to date and effective.
- (c) The Committee must ensure that Board appointees and executives have access to continuing professional 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.
- (d) The induction procedures are set out in section 10.3.

## 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.

Guidance for conducting these reviews is set out in section 10.4.

## 7. 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 Secretary whenever required.



## **8. Reporting**

### **8.1 Reporting to the Board**

The Committee will 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.

### **8.2 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.

The information to be disclosed will include:

- (a) the names of the directors considered by the Board to be independent directors;
- (b) if a director has an interest, position or relationship that may be considered to raise issues about the independence of the director, but the Board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the Board is of that opinion; and
- (c) the length of service of each director.

### **8.3 Public availability of materials**

The Committee must ensure that the following materials are 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;
- (c) the Committee's policy for the appointment of directors; and
- (d) a description of the process for performance evaluation of the Board, its Committees, individual directors and Senior Executives.

## **9. Review of this Charter**

The Board will review this Charter from time to time to ensure that it is operating efficiently and to determine whether any changes are required to be made. This Charter may be amended by resolution of the Board.



## 10. Appendices

### 10.1 Director Competencies

The following criteria are applied when assessing and enhancing director competencies:

- (a) Core business skills and knowledge:
  - (i) strategic expertise – the ability to review the strategy through constructive questioning and suggestion and to use and implement knowledge built up over years of experience;
  - (ii) financial literacy – the ability to read and comprehend the Company's accounts, financial material presented to the Board, financial reporting requirements and a sufficient underlying understanding of corporate finance;
  - (iii) managing risk – an ability to consider materiality and risk tolerance as key considerations in decision making;
  - (iv) experience in dealing with the government and the private sector;
  - (v) corporate governance experience and independence based upon the criteria in the Board Charter;
  - (vi) legal and regulatory experience – the Board's responsibility involves overseeing compliance with numerous State and Federal laws as well as understanding an individual director's legal duties and responsibilities;
  - (vii) industry knowledge relevant to the Company; and
  - (viii) managing people and achieving change.
- (b) Desirable personal qualities:
  - (i) integrity and ethics– fulfilling a director's duties and responsibilities and putting the Company's interests before personal interests;
  - (ii) curiosity – a director must have the curiosity to ask questions and the courage to persist in asking or to challenge management and fellow Board members where necessary;
  - (iii) interpersonal skills and ability to work in a collegial team – a director must work well in a group, listen well, be tactful, but be able to communicate their point of view frankly;
  - (iv) genuine interest in the Company and its business – a director should be interested in the business of the Company and actively contribute their knowledge of the industry; and
  - (v) business acumen - have good business instincts and acumen and an ability to get to the crux of the issue quickly.





## 10.2 Board Composition

Refer also to section 6.3: Board Composition – Expertise

- (a) The Committee must ensure that the Board, collectively, has the appropriate range of expertise to properly fulfil its responsibilities as set out in the Board Charter. The expertise includes:
  - (i) accounting
  - (ii) finance
  - (iii) business
  - (iv) the Company's industry
  - (v) legal skills
  - (vi) CEO-level experience
  - (vii) relevant technical expertise
- (b) The Committee must review the range of expertise of the Board on a regular basis and ensure that it has operational and technical expertise relevant to the operation of the Company.
- (c) The Committee will take diversity into account when considering Board composition in accordance with the Company's Diversity Policy.

## 10.3 Induction and Education Procedures

Every new director takes part in a formal induction program which includes (but is not limited to) the following:

- (a) provision of information regarding the Company's values and culture;
- (b) the Company's governance framework;
- (c) the Company's Codes of Conduct;
- (d) director-related Board and Committee policies;
- (e) processes and key issues; and
- (f) financial management and business operations.

The induction will involve face-to-face meetings with senior Company management, who will provide information about matters concerning their areas of responsibility.



## 10.4 Evaluation and Review for Non-Executive Directors

### (a) Framework

The framework used to evaluate the performance of Non-Executive Directors is based on the expectation that they are performing their duties:

- (i) in the interests of shareholders;
- (ii) in a manner that recognises the great importance that the Company places on the values of honesty, integrity, quality and trust;
- (iii) in accordance with the duties and obligations imposed upon them by the Company's Constitution, the Company's Codes of Conduct, the *Corporations Act 2001* (Cth) and the ASX Listing Rules.

### (b) Criteria for assessing performance

The performance criteria also take into account the Non-Executive Director's contribution to:

- (i) the direction, strategy and financial objectives of the Company;
- (ii) monitoring compliance with regulatory requirements and ethical standards;
- (iii) monitoring and assessing management's performance in achieving strategies and budgets approved by the Board; and
- (iv) setting criteria for and evaluating the CEO's performance.

### (c) Method of Performance Evaluation

Performance evaluations of the Non-Executive Directors are conducted in two ways:

- (i) Annual review:
  - (A) On an annual basis or more frequently if appropriate, the Chair has a meeting with each Non-Executive Director specifically addressing the performance criteria including compliance with the Company's Codes of Conduct.
  - (B) To assist the effectiveness of these meetings, the Chair is provided with objective information about each director (for example, the number of meetings attended, Committee memberships, other current directorships/roles etc) and a guide for discussion to ensure consistency.
  - (C) When considering a director's meeting attendance record during the previous year and also their other roles outside the Company, the Chair reviews generally whether the director has sufficient time to properly carry out their duties as a director and more specifically whether they are making a sufficient time commitment to their role at and outside meetings.
  - (D) A report on the above performance tools is completed by the Chair and tabled to the Board.



The Nominations Committee will engage an independent third party to perform Performance Evaluations if considered necessary and appropriate.

(ii) Re-election statement:

- (A) When nominating for re-election, Non-Executive Directors are given the opportunity to submit a written or oral statement to the Board setting out their reasons for seeking re-election.
- (B) In the Non-Executive Director's absence, the Board evaluates any such statement, has regard to the performance criteria that are used in evaluating the performance of Non-Executive Directors, and also considers their capacity to commit the necessary time to their role as a director before deciding whether to endorse the relevant director's re-election.

**(d) Evaluating Independence**

Non-Executive Directors must be assessed regularly to confirm their independence. The following indicators may be used for the purposes of such an evaluation:

- (i) the Director receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, the Company;
- (ii) any material business relationship the Director has or has had with the Company within the last three years (for example as an employee, supplier, professional adviser, consultant or customer), or their relationship with someone with such a relationship;
- (iii) the director represents, or is or has been within the last three years an officer or employee of, or professional adviser to, a substantial shareholder;
- (iv) the Director has close personal ties with any person who falls within any of the categories described above; or
- (v) the director has been a director of the entity for such a period that their independence from management and substantial holders may have been compromised.

Adopted by the Ashley Services Group Limited Board on 28 August 2023.