

Nomination and Governance Committee – Committee Charter

August 2020



1 Member of the committee

The committee shall:

- consist of a minimum of 3 members, all of whom are independent directors; and
- be chaired by the Lead Independent Director.

The Board may appoint additional non-executive directors to the committee or remove and replace members of the committee by resolution. Members may withdraw from membership by written notification to the Board.

Members of management may also attend meetings of the committee at the invitation of the Committee Chairman, but must not be appointed members of the committee.

2 Administrative matters

Any member may, and the Company Secretary must on request from a member, convene a meeting of the committee. Notice must be given to every committee member of every committee meeting but there is no minimum notice period and acknowledgment of receipt by all members is not required before the meeting may be validly held.

The committee will meet as often as the committee members deem necessary in order to fulfil their role. However, it is intended that the committee will meet at least once each year. A quorum is at least 2 members.

The committee may obtain information from and consult with members of management (including the CEO¹, Chief Financial Officer or the Executive General Manager Human Resources) as it considers appropriate. Where members of management including the CEO are invited to attend meetings of the committee, the individual may not participate in deliberations of the committee where the matter could affect his or her position or where he or she has a personal interest, but nevertheless the individual can answer any questions from the committee.

The committee may, upon notifying the Board or the Chairman of the Board, seek the advice of the Company's solicitors as to any matter pertaining to the powers, duties or responsibilities of the committee and engage any other independent advisers in relation to these matters, as the committee may require.

The Company Secretary will attend all committee meetings as minute secretary. All minutes of the committee will be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

3 Reporting

The committee is responsible for satisfying itself that an appropriate framework exists for relevant information to be reported by management to the committee, including but not limited to

¹ A reference to the CEO in this Charter includes a reference to the Managing Director, where one has been appointed.

information relevant to financial and non-financial risks that are relevant to the committee's responsibilities.

All Board committees report matters to the Board or to other committees where the matter is relevant to their responsibilities.

The Committee Chairman will provide a brief oral report to the Board as to any material matters arising out of the immediately preceding committee meeting. All directors will be permitted, within a Board meeting, to request information of the Committee Chairman or members of the committee.

4 Responsibilities and functions

The role of the committee is to assist and advise the Board on matters relating to:

- Board composition and the nomination, appointment and succession of the non-executive directors of the Adbri Limited group (the Group); and
- best practice corporate governance appropriate to the circumstances of the Company.

The following are intended to form part of the normal procedures for the committee's responsibilities:

Nomination, appointment and succession

- reviewing and making recommendations to the Board regarding the nomination, appointment and succession of non-executive directors, including attending to the following matters:
 - regularly assessing the board skills matrix and the appropriate mix of skills, experience, expertise, independence and diversity required on the Board and assessing the extent to which the required skills are represented on the Board;
 - establishing processes for the identification of suitable candidates for nomination and appointment to the Board, including:
 - establishing criteria for Board membership;
 - engaging appropriate search firms to assist in identifying potential candidates; and
 - where appropriate, nominating appropriate candidates for non- executive directorship;
 - regularly reviewing the time required from a non-executive director and whether directors are meeting that requirement;
 - monitoring the length of service of current Board members, considering succession planning issues and identifying the likely order of retirement by rotation of non-executive directors;
- establishing processes for the review of the performance of individual non- executive directors, the Board as a whole and the operation of Board committees; and

- oversight of the induction and ongoing training and education programs for the Board to ensure that non-executive directors are provided with adequate information regarding the operations of the business, the industry and their legal responsibilities and duties, having regard to any insights gained from the Committee's regular review of the board skills matrix;

Corporate governance

- overseeing the development and periodic review of the Company's corporate governance framework and systems, including reviewing and amending (as appropriate) the systems that monitor the discharge of the Company's obligations regarding:
 - continuous disclosure of material price sensitive information to the ASX in compliance with the ASX Listing Rules;
 - share trading by the Company and its directors and executives to minimise the risk of any actual insider trading in its securities (or perception of such trading) by the Company and its officers;
 - identifying and appropriately managing conflicts of interest that may arise involving the company and its directors or executives or its shareholders;
- ensuring that the Board is periodically updated in relation to best practice corporate governance, as applicable to the circumstances of the Company;
- ensuring the periodic review of the Company's charters and policies and recommending any changes to the Board that may be necessary from time to time; and
- having input into the annual Corporate Governance Statement prior to its approval by the Board.

5 Review

The Board will, at least once in each year review the membership and charter of the committee to determine its adequacy for current circumstances and the committee may make recommendations to the Board in relation to the committee's membership responsibilities, functions or otherwise.



adbri.com.au

GPO Box 2155
Adelaide SA 5001
+61 8 8223 8000
info@adbri.com.au

