



# **NOMINATION AND GOVERNANCE COMMITTEE CHARTER**

## **CORPORATE GOVERNANCE**

*DRA Global*

ABN 75 622 581 935

DRA-00-CG-CH-005

Revision: 2

## APPROVAL

Name	Title	Signature	Date
Peter Mansell	Chairman of the Board <b>DRA Global Limited</b>		Approved by the Board on 24 August 2021

## REVISION RECORD

Revision	Description	Date
0	Approved by the Board	8 June 2020
1	Approved by the Board	13 October 2020
2	Approved by the Board	24 August 2021

## DEFINITIONS

Terms	Definition
ASX	Australian Securities Exchange
Board	The board of Directors of DRA Global Limited
CEO	The Chief Executive Officer and Managing Director of DRA Global, being a member of the Board
Committee	The Nomination & Governance Committee, a committee of the Board
Company	DRA Global Limited ACN 622 581 935
Company Secretary	The Company Secretary of DRA Global
Director	A person appointed as a director of DRA Global
DRA Global	DRA Global Limited ACN 622 581 935
DRA Group	DRA Global and its subsidiaries, associates, and joint ventures
Related Party	<p>Includes:</p> <ul style="list-style-type: none"><li>• a Director;</li><li>• an entity in which a Director has a material interest;</li><li>• an entity (other than a DRA Group entity) of which a Director is a director, officer or employee, and any related body corporate of such an entity;</li><li>• any person or entity which is a related party of the Company within the meaning of section 228 of the <b>Corporations Act 2001</b> (Cth);</li><li>• any person or entity which holds 5% or more of the total number of fully paid ordinary shares on issue by the Company; and</li><li>• any person or entity which the Board determines is a Related Party.</li></ul>

## TABLE OF CONTENTS

1	PURPOSE AND ROLE.....	5
2	KEY RESPONSIBILITIES OF THE COMMITTEE .....	5
3	PROCESS FOR SELECTION AND APPOINTMENT OF NEW DIRECTORS .....	7
4	PROCESS FOR MANAGING CONFLICTS OF INTEREST AND RELATED PARTY TRANSACTIONS .....	7
5	ACCESS TO INFORMATION AND INDEPENDENT ADVICE.....	9
6	MEMBERSHIP .....	9
7	MEETINGS.....	9
8	VOTING.....	10
9	CONFLICTS OF INTEREST.....	10
10	REPORTING .....	10
11	REVIEWS .....	10

## 1 PURPOSE AND ROLE

The Nominations & Governance Committee is a committee of the Board. The Committee's role is to assist the Board to fulfil its responsibilities in relation to:

- the composition of the Board and the appointment, retirement, re-election, and performance of Directors;
- the appointment of the CEO, and performance review of the CEO at least annually;
- succession planning, renewal, and evaluation for the Board with a view to maintaining an appropriate balance of skills, experience, tenure, and diversity of the Board;
- induction and development programs for Directors;
- adopting the most appropriate corporate governance framework and practices that encourage an alignment of purpose, vision and strategy among shareholders, Directors, and management; and
- assisting the Board to undertake, or where necessary, to undertake:
  - the management of potential, real or perceived conflicts of interest;
  - the management of transactions or other dealings involving Directors, material shareholders or Related Parties.

This Charter details the functions and the manner in which the Committee will operate. In making decisions and recommendations, the Committee may take into account:

- these terms of reference;
- legal requirements, including the provisions and recommendations in applicable listing rules and standards of corporate governance applicable in each of the jurisdictions in which the Company is listed;
- key market trends and the broader external environment, in particular, the existing and developing corporate governance and regulatory environment;
- the activities of the Board's other committees and where appropriate, coordinate with and consider information arising out of those committees that affect the Directors and the Company's stakeholders and corporate governance; and
- any other factors it deems relevant.

The Committee is one of review and advice and has no decision-making authority and holds no delegated authority from the Board except as resolved by the Board or stated in this Charter. It provides oversight and makes recommendations to the Board for its consideration regarding matters within the scope of the Committee's functions as set out in this Charter and, if the Board considers it appropriate, ultimate approval.

The deliberations and work of the Committee do not reduce the individual and collective responsibilities of the Board regarding the fiduciary duties and responsibilities of the Directors, and the Board must continue to exercise due care and judgment in the exercise of its functions, in accordance with their statutory obligations. The duties and responsibilities of the members of the Committee as set out in this Charter are in addition to those duties and responsibilities that they have as members of the Board.

## 2 KEY RESPONSIBILITIES OF THE COMMITTEE

Specifically, the duties and responsibilities of the Committee are to review and report to, and where appropriate, recommend for approval by the Board on the following matters.

The Committee's responsibilities include:

### 2.1 Composition of the Board and Committees

- Monitoring, reviewing, and making recommendations to the Board on matters relating to the size, composition and structure of the Board and its committees.

- Assessing the appropriate balance of skills, knowledge, experience, and diversity required on the Board and its committees and the extent to which balance is achieved.
- Reviewing the Board skills matrix and make recommendations to the Board on any changes that should be made.

## **2.2 Selection, Appointment and Re-election of Directors, Independence, Induction and Development**

- Establishing a formal process for the Board in respect of the nomination, selection, appointment, and re-election of Non-Executive Directors.
- Establishing a formal process for the Board to appoint and terminate the CEO.
- Considering and making recommendations to the Board regarding the appointment of the CEO and associated terms of engagement.
- Identifying and evaluating candidates and recommending to the Board individuals for appointment to the Board.
- Making recommendations to the Board as to whether it should support the re-election, by shareholders, of individual Non-Executive Directors retiring by rotation, except that a Committee member must not participate in making recommendations to the Board in respect of themselves.
- Monitoring and reviewing the process for the induction of new Directors, and any professional development program for existing Directors.
- Assessing and making recommendations to the Board on the independence of each Director on appointment and then annually and as soon as practicable whenever any new interests or relationships are disclosed by a Director.

## **2.3 Performance Evaluation**

- Developing the annual performance evaluation process of individual Directors, the Board as a whole and the operation of Board committees and assisting the Board to conduct the evaluation process.

## **2.4 Succession Planning**

- Considering and making recommendations regarding succession planning for the Chairman of the Board and the CEO.

## **2.5 Corporate Governance**

- Providing advice to the Board on the most appropriate corporate governance framework, policies and practices that are, or are likely to be, in the best interests of the Company.
- Reviewing the effectiveness of the Company's corporate governance framework, policies, and practices, including advising the Board of any significant developments in the law and practice of corporate governance.
- Reviewing and considering the Company's compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations and other applicable corporate governance requirements in the jurisdictions in which the Company is listed.
- Reviewing and making recommendations to the Board as to whether the Company's annual corporate governance statement should be approved.

## **2.6 Conflict management**

- Considering and managing potential, actual, or perceived conflicts of interest and Related Party proposals involving Directors, material shareholders or Related Parties, including assisting the Board to manage its Conflicts of Interest Protocol.

- Managing the conduct of legal proceedings by or against the Company or any of its subsidiaries in which Directors, material shareholders or Related Parties are involved, and making recommendations to the Board to settle or resolve any such proceedings.

## **2.7 Continuous Disclosure**

- Recommending to the Board for approval the Company's Market Disclosure and Communications Policy and Framework and providing oversight on how the policy is being implemented.
- Overseeing the training of Directors and senior management on the Company's continuous disclosure obligations.

## **3 PROCESS FOR SELECTION AND APPOINTMENT OF NEW DIRECTORS**

Factors to be considered when reviewing a potential candidate for appointment to the Board include:

- the expertise, skills, experience, perspectives and personal qualities and attributes that will best enhance Board effectiveness;
- the diversity of Board composition;
- the capability of the candidate to devote the necessary time and commitment to the role; and
- potential conflicts of interest and independence.

The Board has determined and established Fit and Proper Person Guidelines (as set out in Annexure B in the Board Charter) for assessing potential Director candidates, to ensure candidates have the appropriate fitness and propriety to properly discharge their prudential responsibilities on appointment and during the course of their appointment. The guideline provides that detailed background information (including relevant good standing checks) in relation to a potential candidate must be provided to all Directors.

The identification of potential Director candidates may be assisted by the use of external recruitment consultants, as appropriate.

An offer of a Board appointment must be made by the Chairman only after having consulted all Directors, with any recommendations from the Committee having been circulated to all Directors.

All new Board appointments must be confirmed by a letter of appointment.

### **Nominee Directors Nominated by Significant Shareholders**

Where the Company receives a written notice from a significant shareholder nominating a person to fill a casual vacancy on the Board or as an addition to the Board, the Committee will consider the nominee and make a recommendation to the Board regarding the appointment of the nominee. If there are reasonable grounds for not recommending the nominee's appointment, such recommendation will be made to the Board and such grounds will be notified to the Board and, as and when appropriate, the nominating shareholder.

## **4 PROCESS FOR MANAGING CONFLICTS OF INTEREST AND RELATED PARTY TRANSACTIONS**

### **4.1 Conflicts of Interest Matters**

At the direction of the Chairman of the Company, the Committee will review and manage any actual, potential, or perceived conflict of interest matters that arise in respect of any Director.

The Committee will manage any conflict of interest matter having regard to the conflict of interest protocols set out in Annexure C to the Board Charter and the Company's Conflict of Interest Group Standard.

The Committee will conduct a conflict assessment. The Director the subject of the conflict assessment must provide the Committee with such information as is reasonably required to assist the Committee in determining whether the Director has a conflict of interest in respect of the relevant matter.

## 4.2 Related Party Transactions

As soon as the Committee becomes aware of any Related Party proposal, it will convene a meeting and establish appropriate assessment processes and protocols and will undertake an assessment of the Related Party proposal.

The Committee is authorised to obtain any independent professional advice and instruct those advisers to liaise with the management and to assist the Committee with the assessment of the Related Party proposal.

The Committee is authorised to appoint an independent expert to report in respect of a Related Party proposal requiring prior shareholder approval.

The Committee will report to the Board as, and to the extent that, it considers appropriate, subject to any processes and protocols developed by the Committee to manage Related Party proposals.

The Committee will not recommend to the Board (excluding any Director/s who are conflicted) a Related Party proposal unless it is satisfied that the relevant proposal is in the best interests of the Company and are on terms that would be reasonable in the circumstances if the Company and the Related Party were dealing at arm's length, or on terms that are less favourable to the Related Party than arm's length terms. Alternatively, the Committee may recommend to the Board that it be delegated powers to manage and respond to any such proposal.

## 4.3 Conflicted Litigation Matters

In relation to any actual or potential legal claim or proceeding by or against the Company or any of its subsidiaries, of which the Company or any Director becomes aware:

- in relation to which any Director has an actual, potential, or perceived conflict of interest;
- involving a Related Party of the Company; or
- involving a material shareholder of the Company;

the Committee will convene a meeting and establish appropriate processes and protocols, in consultation with the CEO, for the management of the assessment, conduct and resolution of that actual or potential legal claim or proceeding. The agreed processes and protocols will govern the relationship between the Committee and executive management regarding communication and decision making.

Any Director who has an actual, potential, or perceived conflict of interest in relation to that actual or potential claim or proceeding:

1. is disqualified from participation in meetings of the Committee in relation to the matter;
2. must not be notified of the convening of any meeting;
3. must not receive papers in relation to that meeting, including minutes of meetings of the Committee in relation to that matter;
4. if and to the extent they become aware of any meeting or the subject matter of any meeting, must not communicate any information in relation to that matter to any other person whether within, or outside, the Company, other than the Chairman.

The Committee is authorised to obtain any necessary or expedient independent professional or expert advice for the purpose of assessing, managing, or resolving that actual or potential claim or proceeding.

The Committee is authorised to initiate, manage, and oversee the conduct or defence of legal proceedings by the Company in respect of conflicted litigation matters. The proceedings will be conducted or defended to protect the interests of the Company and its subsidiaries, having regard to the advice obtained by the Committee, and the Committee members eligible to participate having satisfied themselves that it is in the best interests of the Company (or relevant subsidiary) to undertake the conduct or defence of such proceedings. The Committee may cause the Company to resolve such proceedings on terms it considers appropriate.

For these purposes, the Committee is authorised to cause the expenditure of such monies as are reasonably necessary, and to expose the Company to the risk of adverse costs or other orders.

## **5 ACCESS TO INFORMATION AND INDEPENDENT ADVICE**

The Committee shall have unrestricted access to management, internal or external auditors, and any information to enable it to fulfil its functions appropriately.

The Committee is authorised to obtain any independent legal advice or other professional advice that it considers necessary to perform its role.

## **6 MEMBERSHIP**

The Committee's members will be appointed by the Board.

The Committee shall be comprised of at least three members, a majority of whom are considered to be independent.

The Committee will have a Chairman appointed by the Board. The Committee Chairman will be a Director considered to be independent and will be the Chairman of the Board.

Committee members should possess the appropriate skills and experience and have an appropriate understanding of the industries in which the Company operates to enable the Committee to fulfil its functions appropriately. At least one member of the Committee should have experience in corporate governance practice and previously held a directorship of a public listed company. The skills and experience of the Committee members shall be appropriately documented.

The Committee may delegate all or part of its functions and powers to a sub-committee (comprising at least two of its members) in relation to a specific matter, and which sub-committee is to have the role, responsibilities of the Committee as set out in this document.

The Company Secretary will be the secretary of the Committee, or any sub-committee.

## **7 MEETINGS**

The Committee will meet as often as required to undertake its role effectively, and at least two (2) times each year. Any Committee member may call a meeting of the Committee.

The Committee Chairman may call a meeting, at any time, independent of management.

The quorum necessary for a meeting will be a majority of members. In the absence of the Committee Chairman, the Committee members will elect a member to act as Chairman for that meeting.

The Committee may invite various persons to attend its meetings, including the CEO, Chief Financial Officer, Group Legal Counsel, other members of management, and external advisers. Invitees may participate in the business and discussions of the Committee but have no voting rights.

All Directors have a standing invitation to attend Committee meetings, receive copies of Committee meeting minutes and have access to Committee papers, unless the Committee determines that a conflict of interest may exist or that a Director may have material personal interest in a matter to be discussed.

The notice and agenda of Committee meetings will include relevant supporting papers and must be made available to the Committee no later than five (5) days prior to the meeting date.

Minutes will be prepared of the proceedings of all Committee meetings, and the minutes (or a link to the minutes) are to be included in the Board papers of the next Board meeting following the Committee meeting.

Minutes must be prepared, approved by the Committee Chairperson, circulated to Committee members, and recorded in the Company's minutes books within 28 days of the meeting. The minutes must be endorsed by the Committee and signed by the chairman of the relevant meeting, or the chairman of the next meeting, no later than at the next Board or Committee meeting.

## **8 VOTING**

Matters will generally be decided by consensus or referred to the Board for approval if consensus cannot be reached.

## **9 CONFLICTS OF INTEREST**

Committee members are required to declare conflicts of interest at the start of each meeting.

Ongoing conflicts of interest need to be declared at each meeting once originally acknowledged. Members or invitees who declare or are determined to have a real, potential, or perceived conflict of interest will be excused from Committee discussions about the issue where the conflict exists.

## **10 REPORTING**

The Committee Chairman, or their nominee, will report to the Board at the next Board meeting following a Committee meeting on any material matters arising out of the Committee meeting and proposed the Committee's recommendations to the Board for decision.

The minutes of the prior Committee meeting (or a link to the minutes) will be included in the Board papers for the next Board meeting.

An annual plan will be developed for the Committee's activities, and the Committee Chairman will report to the Board on progress against the annual plan.

The Company Secretary will have a separate direct reporting relationship with the Committee Chairman. This will involve regular one-on-one meetings, as required.

## **11 REVIEWS**

The Charter will be reviewed at least every two years and any amendments are to be approved by the Board, except that the Company Secretary is authorised to make immaterial administrative related amendments as required.