

## AGL ENERGY LIMITED (AGL) NOMINATIONS COMMITTEE CHARTER

### 1. Purpose

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- 1.1 The primary function of the Nominations Committee (the **Committee**) is to assist the Board in fulfilling its responsibilities to Shareholders through making recommendations to the Board in relation to the optimal composition of the Board.
- 1.2 The Committee is responsible for reviewing the following matters:
- Director independence;
  - Composition of the Board, including assessing and recommending to the Board the appropriate mix of skills, knowledge, experience, independence and diversity to enable the Board to discharge its responsibilities effectively having regard to the execution of AGL's strategic objectives, legal requirements and to the highest standards of corporate governance;
  - The processes in place to review the performance of the Board, its Committees and the non-executive Directors;
  - Succession planning for the Board including the CEO so that an appropriate balance of skills, knowledge, experience, independence and diversity is maintained; and
  - Recommendations to the Board in relation to the appointment, election, re-election and retirement of Directors.

The Committee will primarily fulfil these responsibilities by carrying out the activities in Section 6 of this Charter.

### 2. Membership

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- 2.1 Unless the Board determines otherwise, the Committee shall comprise all non-executive Directors of AGL.
- 2.2 Subject to paragraph 2.1, the members of the Committee shall be appointed by the Board from amongst the non-executive Directors of AGL and shall consist of a minimum of three members.
- 2.3 Each member of the Committee must be free from any interest, position, association or other relationship that might influence, or reasonably be perceived to, influence in a material respect his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of AGL.
- 2.4 The Chairperson of the Committee shall be the Chairperson of the Board, except where the Committee is addressing the appointment of a successor to the Chairperson. Should the Chairperson be absent from any meeting of the Committee, the members of the Committee present at that meeting shall appoint one of their number to be Chairperson of that meeting.
- 2.5 The Secretary of the Committee is the Company Secretary or his or her designated representative.

### 3. Meetings

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- 3.1 The Committee will meet a minimum of two times annually and more frequently if required, as determined by the Committee Chairperson.
- 3.2 A quorum of any meeting shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 3.3 No one outside the Committee and the Board is entitled to be present at a meeting of the Committee however, unless the Committee determines otherwise, the Managing Director and the Company Secretary shall attend Committee meetings.
- 3.4 The Secretary of the Committee shall be responsible for scheduling meetings, co-ordinating the preparation of the agenda, minutes and other supporting documentation for the meeting. The Company Secretary will circulate minutes of meetings to members of the Committee.
- 3.5 Subject to any provision to the contrary as set out in this Part 3, Committee meetings shall otherwise be conducted in accordance with the Board Charter.

### 4. Authority

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- 4.1 The Committee is a Committee of the Board and shall have no authority independent of the functions delegated to it by the Board.
- 4.2 The Committee is authorised by the Board to investigate any activity it deems appropriate consistent with its responsibilities and duties. It is authorised to seek any information from any officer or employee of AGL all of whom must co-operate with any request made by the Committee.
- 4.3 The Committee is authorised to engage any firm of professional advisers as it sees fit to provide independent counsel and advice and to assist in any consideration of such matters as the Committee deems appropriate.
- 4.4 The findings of the Committee shall not relieve the Board of any of its responsibilities.

### 5. Reporting

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- 5.1 The Company Secretary shall distribute copies of the minutes of a meeting of the Committee to the Board as soon as practicable after the meeting.
- 5.2 The Committee shall regularly inform the Board about Committee activities and make recommendations to the Board on matters relevant to the Committee's responsibilities.

### 6. Responsibilities

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- 6.1 The Committee will undertake the following activities to fulfil its responsibilities:

***Director Independence***

- Monitor the independence of each Director.
- Undertake an annual assessment of and make a recommendation to the Board as to the independence of each Director.

### ***Board composition***

- Periodically assess the Board Skills Matrix, which sets out the mix of skills, knowledge, experience and diversity that the Board currently has or is looking to achieve in its membership (having regard to AGL's strategic objectives, legal requirements and to the highest standards of corporate governance) and make recommendations to the Board on any changes that should be made to the Board Skills Matrix.
- Periodically compare the measures included in the Board Skills Matrix with the skills, knowledge and experience represented on the Board from time to time to identify any potential gaps in the skills, knowledge, experience and diversity of the Board.
- Reviewing AGL's policy in relation to Board diversity and making recommendations to the Board regarding:
  - amendments to that policy, as required;
  - measurable objectives for achieving Board diversity; and
  - progress in achieving the measurable objectives set by the Board in relation to Board diversity.
- Review the structure, size and composition of the Board and each Board Committee having regard to the Board Skills Matrix, AGL's Constitution and to the Board and each Board Committee charter.
- Make recommendations to the Board arising from any review of the structure, size and composition of the Board and from any evaluation of the effectiveness of the Board.

### ***Performance***

- Develop and implement a process for evaluating the performance of the Board, each Board Committee and each individual Director. The Committee shall also be responsible for reporting the results of that evaluation to the Board.
- Review the time commitment required by Directors and whether these time commitments are being met.

### ***Board succession planning***

- Overseeing and reviewing the succession plan for the role of CEO.
- Develop succession plans for non-executive Directors, taking into account the challenges and opportunities facing AGL, and the skills, knowledge and experience likely to be required in the future.
- Make recommendations to the Board about succession plans for non-executive Directors and the CEO.

### ***Appointment, Election, Re-election and Retirement of Directors***

- Prepare a description of the skills, knowledge and experience required when considering the suitability of potential candidates for appointment to the Board.
- Oversee a professional and objective search process to identify suitable candidates to fill Board vacancies as and when they arise.
- Oversee arrangements for the effective appointment and induction of new Directors.
- Oversee arrangements for the ongoing education and continuing professional development of Directors.

- Make recommendations to the Board:
  - on candidates it considers appropriate for appointment to the Board. Such recommendations should have appropriate regard to how the skills, knowledge, experience and other qualities of a recommended appointee will balance and complement the mix of skills, knowledge, experience and other qualities of existing Directors having regard to the Board Skills Matrix;
  - concerning the re-election by Shareholders of any Director in accordance with AGL's Constitution; and
  - concerning the suspension or removal from office of any Director in accordance with AGL's Constitution.

## **7. Other Matters**

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- 7.1 This charter will be reviewed by the Committee at least every two years. Any changes to the charter must be approved by the Board.
- 7.2 The Committee will annually review its own performance.

**Approved by the Board in May 2018**