



NOMINATION COMMITTEE CHARTER

The Board of Gunns Limited (*the Company*) is responsible for the management, administration and overall corporate governance of the Company, including developing strategic direction, establishing goals for management and monitoring the achievement of these goals.

The Nomination Committee (*the Committee*) is established by the Board to assist in the aspects of its role specifically relating to the review of Board performance and composition.

The Committee has all necessary access to internal and external resources, including all advice received by the Company and the ability to engage specialists or consultants for advice.

1. Composition

It is intended that the composition of the Committee, be determined using the following principles:-

- a. The Committee must be chaired by an independent non-executive Director
- b. The Committee must comprise at least three Directors
- c. The Committee must comprise a majority of non-executive Directors, with at least 50% of the Committee being independent non-executive Directors.

2. Role

The following are intended to form part of the normal procedures for the Nomination Committee:-

- a. Review and recommend to the Board the criteria for Board membership, including developing and implementing a plan for identifying, assessing and enhancing the skills and competencies required on the Board
- b. Reviewing Board membership, including:-
 - i. establishing processes for the review of the performance of individual Directors, Board Committees and the Board as a whole
 - ii. ascertaining the time required from each Director to adequately perform their role, in the context of time obligations both within the Company and those relating to any external directorship, and whether existing Directors are allocating sufficient time for the performance of their role
 - iii. assessing the extent to which the required skills are represented on the Board, and the necessary and desirable competencies of Board members
 - iv. evaluating the size of the Board, and whether the current size is optimal in allowing for the desirable composition of skill and ability to reach decisions
- c. Review and recommend to the Board membership of the Board, including recommendations for the appointment and re-election of Directors, and where necessary propose candidates for consideration by the Board

- d. Assist the Board as required in relation to the performance evaluation of the Board, its committees and individual directors, and in developing and implementing plans for identifying, assessing and enhancing director competencies
- e. Review and make recommendations in relation to any corporate governance issues as requested by the Board from time to time
- f. Considering succession planning for the Board and procedures for the identification of suitable candidates for appointment to the Board
- g. Managing the appointment and re-election of Directors, including establishing the procedures for the selection, appointment and re-appointment of Directors, which involves:-
 - i. review of the relevant applicants skill, competencies and external commitments
 - ii. making recommendations to the Board on the nomination and votes to be provided with respect to Director appointment and re-election
 - iii. assessing the relevant applicant or Director's relationships within and outside of the Company, forming a view as to the individual's independence and advising such to the Board
- h. Ensuring that an effective induction process is in place and regularly review its effectiveness in assisting incoming Directors to attain the desired level of knowledge in the business, operations and industries of the Company.

3. Policy and procedure for selection and appointment of new directors

- a. Factors to be considered when reviewing a potential candidate for Board appointment include without limitation:-
 - i. the skills, experience, expertise and personal qualities that will best complement Board effectiveness
 - ii. the capability of the candidate to devote the necessary time and commitment to the role. This involves a consideration of matters such as other Board or executive appointments and of the time expected to be devoted to any Committees the prospective Director is intended to serve on
 - iii. potential conflicts of interest and an assessment of independence.
- b. Detailed background information in relation to a potential candidate must be provided to all Directors.
- c. The identification of potential Director candidates may be assisted by the use of external search organisations as appropriate.
- d. An offer of a Board appointment must be made by the Chair only after having consulted all Directors, with any recommendations from the Committee having been circulated to all Directors.
- e. All new Board appointments should be confirmed by letter in the standard format as approved by the Board or the Committee from time to time.

4. Administrative Matters

The Committee meets on an annual basis with additional meetings held as required to address specific issues or vacancies.

The Company Secretary attends meetings of the Committee as minute secretary.

The quorum is at least 2 Committee members.

The Committee may invite others to attend Committee meetings (or parts of meetings) as it sees fit.

All minutes of the Committee are signed by the Committee Chairman as a true and correct record of the Committee meeting, and are entered into the minute book and will be open for inspection by any Director. A report of the actions of the Committee and a copy of the minutes of the Committee meeting will be included in the papers for the next full Board meeting after each Committee meeting.

All Directors and other attendees at Committee meetings are, as officers and/or fiduciaries, required to keep all information presented to (whether written or oral) or discussed at Committee meetings confidential.

5. Review

The Board of the Company will on an annual basis review the membership, processes and Charter of the Committee in order to determine the adequacy of these factors for current circumstances, continuing effectiveness and efficiency. The Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise.