



NOMINATION COMMITTEE CHARTER

CPA Australia Ltd
ACN 008 392 452

1 Introduction

- 1.1 This Charter has been approved by the Board and outlines the roles, responsibilities, composition, membership and meeting procedures of the Nomination Committee. The conduct of the Committee is also governed, where applicable, by the Constitution of CPA Australia (**Constitution**).
- 1.2 Nothing in this Charter limits any powers or responsibilities of the Board.

2 Objectives of the Committee

- 2.1 The Committee is a committee of the Board. The Committee's role is to assist the Board and the Appointments Council in the effective discharge of their respective responsibilities for ensuring that the Board and its Committees comprise individuals who are best able to discharge their responsibilities as Directors and Committee members (as applicable) having regard to the law, the highest standards of governance, the diversity of the membership and the organisation's Strategy. The Committee's work is supported by the Chief Executive Officer and other key management personnel, principally the Company Secretary.
- 2.2 The Committee's work includes the following objectives:
 - (a) assessing and recommending to the Board competencies, skills and attributes required for Directors on the Board or any board of a subsidiary of CPA Australia;
 - (b) establishment of processes, assessment and recommendations to the Appointments Council of suitable candidates for the appointment to the Board; and
 - (c) advising the Board and Appointments Council on the competencies, skills and attributes to be considered for succession planning for the Board.
- 2.3 The Committee does not relieve any Directors of their responsibilities under the Constitution.
- 2.4 The Committee plays an advisory role and is authorised to exercise those Board powers expressly delegated to it in this Charter.
- 2.5 Other than to the Board and to the Appointments Council, the Committee has no direct obligation to or from any management group or Division.

3 Committee Responsibilities

Without limiting the general role or powers of the Board, the Committee is responsible for providing the Board and the Appointments Council with advice and guidance on the following:

- 3.1 **Board composition and performance**
 - (a) assess and recommend to the Appointments Council, desired candidates with the

competencies, skills and attributes required on the Board (also having regard to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (CGPR) and having regard to the competencies, skills and attributes to be considered for succession planning for the Board) with reference to areas such as experience, expertise and diversity (which includes but is not limited to gender, ethnicity and cultural background); and

- (b) from time to time assess the extent to which the required competencies, skills and attributes are represented on the Board.

3.2 **Board Nominations**

- (a) establish processes for the identification of suitable candidates for recommendation for appointment to the Board; and
- (b) at the request of the Appointments Council, make recommendations to the Appointments Council for appointments to the Board subject to the processes set out in the Constitution and By-Laws.

3.3 **Exercise of Powers**

The Committee must:

- (a) exercise the powers delegated to it in accordance with any directions, strategies, objectives or policies of the Board;
- (b) obtain the Board's prior approval of the skills mix and selection criteria to be applied by the Committee when seeking applications, recommending or short-listing any persons for appointment to the Board;
- (c) act in accordance with any directions of the Appointments Council as to the suitability of those persons nominated as Directors including any direction from the Appointments Council to locate further candidates within the time-frames set out in the By-Laws;
- (d) set out its recommendations to the Appointments Council for Board appointments in a report containing:
 - (i) a short-list of preferred and recommended candidates;
 - (ii) a long-list of all candidates;
 - (iii) such other relevant information as the Committee considers appropriate or is reasonably requested by the Board or the Appointments Council or is required by the By-Laws;
- (e) where the report referred to in clause 3.3(d) of this Charter has been provided to the Appointments Council and the Appointments Council pursuant to clause 11.1(e) of the Appointments Council Charter considers it necessary to request the

Nomination Committee to reconsider its report in light of a material matter(s) in its report, the Committee will convene a special meeting and consider the request from the Appointments Council (taking into account the time needed having regard to the appointment process for the Appointments Council to consider the Committee's response) and if necessary update its report and provide its updated report to the Appointments Council prior to the Appointments Council appointing Directors to the Board; and

- (f) where possible, endeavor to identify and have nominated at least two candidates for each vacancy arising on the Board.

4 Conflict of Interest

- 4.1 If any Committee member has a material personal interest in, or an interest by way of a personal or other relationship to, any matter being considered by the Committee, then that Committee member must give the Committee and the Board notice of that interest as soon as that member becomes aware of the interest.
- 4.2 A notice required under clause 4.1 must:
 - (a) give details of the nature and extent of the interest (also having regard to any obligations of confidentiality to another party or other parties if applicable); and
 - (b) the relation of the interest to the affairs of the organisation.
- 4.3 A Committee member who has a material interest in a matter that is being considered at a Committee meeting must otherwise act in accordance with APES 110 Code of Ethics for Professional Accountants (including the Independence Standards) (**Code**) to the extent relevant to the requirements ('Requirements') set out in the Code.

5 Independent Advice and Information for the Committee

- 5.1 The Committee may obtain reasonable, independent professional advice to assist it in the proper exercise of its powers and responsibilities.
- 5.2 The Board Secretariat should supply the Committee with information in a form and timeframe, and of a quality that enables the Committee to discharge its duties and responsibilities effectively. Committee members are entitled to request additional information from the Board Secretariat where they consider such information necessary to make informed decisions.

6 Reimbursement of Costs

Committee members are entitled to reimbursement for the reasonable costs of any independent advice obtained in respect of their office. If a Committee member wishes to obtain independent

external advice then the Committee member must notify the Committee before seeking that advice and obtain the prior approval of the Committee Chair, which approval must not be unreasonably withheld. Reimbursement of travel, accommodation and out-of-pocket expenses properly incurred by Committee members must be met on the basis set out in Article 42(h) of the Constitution.

7 **Reliance**

Each Committee member is entitled to rely on information, or professional or expert advice, to the extent permitted by law, given or prepared by:

- (a) an employee of the organisation or any of its subsidiaries whom the member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
- (b) a professional adviser or expert in relation to matters that the member believes on reasonable grounds to be within the person's professional or expert competence; or
- (c) another Director or officer of CPA Australia or any of its subsidiaries in relation to matters within the Director's or officer's authority.

8 **Appointment and Composition of the Committee**

8.1 **Size**

- (a) The Committee will consist of:
 - (i) at least two Directors of CPA Australia appointed by the Board;
 - (ii) two Appointments Councillors appointed by the Appointments Council; and
 - (iii) two non-Directors co-opted by the Committee members referred to in clauses 8.1(a)(i) and (ii) of this Charter who will provide specific skills and expertise as required.
- (b) All Committee members must be non-executive and independent as determined by the Board in accordance with the CGPR. No Committee members can be (or have been in the past three years) a professional adviser or from senior management of CPA Australia.

8.2 **Committee Chair**

The Board Chair must nominate an appropriate individual as Committee Chair or, in their absence, such other person that the Committee may determine for that meeting will be Chair.

8.3 **Tenure**

- (a) The terms of the two Director Committee members will coincide with their terms on the Board, unless the Board determines otherwise.
- (b) The terms of the two Appointments Council Committee members will be for the

remainder of the calendar year in which they are appointed until 31 January in the following calendar year, or such earlier period as the Board may determine from time to time.

- (c) Subject to clause 8.3(d) of this Charter, the terms of the co-opted independent Committee members appointed under Clause 8.1(a)(iii) will be for a term of two years commencing on 1 February for the first year of the term for which they are appointed until 31 January of the second calendar year following the calendar year from the year they are appointed and they shall be eligible for reappointment for a further period of two years.

8.4 **Review of Committee Performance and Skills Development**

- (a) The Committee will assess and review its performance and that of the Chair at least annually.
- (b) From time to time, the Committee should consider what training or development could be undertaken by its members (with the approval of the Board and at CPA Australia's expense) to keep their expertise, skills and knowledge relevant to the operation of CPA Australia as required to fulfil their role on the Committee.

8.5 **Secretary**

The Company Secretary will act as secretary of the Committee.

9 **Internal Governance**

The Committee has delegated authority and power as approved by the Board from time to time.

10 **Meetings**

10.1 **Holding of Meetings**

- (a) Subject to paragraphs (b) and (c), the Committee will meet, adjourn and otherwise regulate its meetings as it thinks fit, but must meet no less than four times each calendar year or more frequently as circumstances dictate.
- (b) The Committee Chair should consider calling an unscheduled meeting if requested to do so by a Committee member or the Company Secretary.
- (c) Meetings may be held face-to-face, or by using any technology (or any combination of technologies) as considered appropriate by the Chair.
- (d) The Committee may confer without management or any other person present and at each scheduled meeting may have a private session.
- (e) The Committee members must always act in accordance with our organisation's agreed behaviours and values as set out in The CPA Australia Way:
<https://www.cpaaustralia.com.au/about-cpa-australia/work-with-us/careers/our->

values.

- (f) At the commencement of each Committee meeting, the Committee Chair will:
 - (i) open with an *Acknowledgment of Country* relevant to the place or places from where the meeting is being held; and
 - (ii) appoint a meeting reviewer from the Committee members in attendance to provide a review of the meeting at the end of the meeting incorporating a reflection on how the meeting met CPA Australia's values.

10.2 Quorum

At least one member from each of the groups of Committee members described in clauses 8.1(a)(i), 8.1(a)(ii) and 8.1(a)(iii), namely, one Director, one Appointments Councillor and one co-opted non-Director present in person or by using any technology, will constitute a quorum. The quorum must be present at all times during the meeting.

10.3 Voting

Decisions at any meeting of the Committee are made by a majority of votes recorded. In the case of an equal number of votes, the Committee Chair has a casting vote.

10.4 Attendance at Meetings

- (a) The Company Secretary may attend Committee meetings by standing invitation of the Committee only and may be requested to leave by any Committee member present at the meeting. If requested to leave, the Company Secretary must leave immediately.
- (b) In addition, the Committee Chair may invite any of the following to attend a meeting or an item of a meeting of the Committee:
 - (i) members of the Board Secretariat;
 - (ii) any other employee or officer of CPA Australia; and
 - (iii) any other third-party consultant.
- (c) Each invitee must undertake to keep the relevant communications of the proceedings of the Committee meeting confidential, including in accordance with clause 12 below.

10.5 Committee Papers

- (a) Unless otherwise directed by the Committee Chair, the Committee secretary must distribute in advance of a meeting of the Committee an agenda and any related papers to each member of the Committee.
- (b) Subject to any further rights granted under a Deed of Indemnity, Insurance and

Access, Committee members who are Directors may access Committee papers on request, for the period when they were a Committee member (even if they have ceased to be a member of the Committee) in accordance with section 198F of the *Corporations Act 2001 (C'th)* (**Corporations Act**).

10.6 **Minutes of Committee Meetings**

Minutes of the Committee must accurately reflect its proceedings and are to be made available to the Committee members in accordance with the provisions of the Constitution and the Corporations Act. Minutes signed by the Committee Chair are conclusive evidence of the proceedings recorded in the minutes.

10.7 **Written Resolutions**

Apart from passing resolutions at actual Committee meetings, the Committee may also pass written resolutions in the manner set out in Article 53 of the Constitution.

11 **Review of Charter**

The Committee will at least once each year review this Charter to ensure it remains consistent with the Committee's objectives and responsibilities, applicable law, the Constitution, the By-Laws and relevant standards of corporate governance and recommend any changes to the Board.

12 **Confidentiality**

Unless Directors resolve to the contrary, Committee members are required to keep Committee discussions, Committee papers and deliberations confidential.

13 **Code of Conduct**

Each Committee member has an obligation to comply with the spirit, as well as the letter of the law, the Constitution, the By-Laws and the principles set out in the Directors' Code of Conduct or in the case of non-Directors, the Board Committee Members' (Non-Director) Code of Conduct.

14 **Reporting to the Board**

The Committee Chair, or delegate, must report to the Board after each Committee meeting concerning:

- (a) the proceedings of the Committee; and
- (b) all matters relevant to the Committee's role and responsibilities.

15 **Consistency with Constitution**

15.1 This Charter may be amended by the Board from time to time subject to the requirements of the Constitution and the law. Whilst this Charter does not form part of the Constitution, this Charter (as in force from time to time) is nevertheless binding on the Committee and

each of the Committee members.

- 15.2 To the extent that there is any inconsistency between this Charter and the Constitution or the By-Laws, the Constitution will prevail over both and the By-Laws will prevail over this Charter.

Adopted by the Board of Directors on 10 December 2018

Amended by the Board of Directors on 9 December 2019

Amended by the Board of Directors on 31 August 2020

Amended by the Board of Directors on 14 December 2020. Effective: 1 January 2021

Amended by the Board of Directors on 6 December 2021. Effective: 1 January 2022

Amended by the Board of Directors on 8 December 2022. Effective: 1 January 2023