

# Nominations Committee

## TERMS OF REFERENCE (ToR)

TOR owner: Chief Executive Officer  
TOR contact: Company Secretary  
Approved by: HNC Board  
Approval date: 29 November 2022

## Background and scope

The Nominations Committee of Healthy North Coast Ltd (HNC), trading as North Coast Primary Health Network (the Company), is a committee of the HNC Board (the Committee). It is established in accordance with the Company's Constitution (the Constitution) to ensure good corporate governance.

## Purpose

The purpose of the HNC Committee is to provide advice and recommendations to the Board and/or the Members on specified matters, particularly in relation to Board composition and governance generally.

## Role

The functions of the Committee are to:

- On request by the Board, review the prevailing 'Skills Matrix' for the purposes of the Constitution and provide feedback and recommended changes to the Board for the Board's consideration, taking into account the needs and objectives of the Company and other relevant matters at that time. This is an advisory function only.
- Review the performance, skills and structure of the Board with reference to the then-current Skills Matrix from time to time with a view to determining whether an appropriate mix of competencies, skills and experience exists.
- Evaluate the performance of existing Directors who wish to stand for re-election or re-appointment (as the case may be), interview such Directors (as the Committee sees fit) and make recommendations to the Members accordingly.
- Call for written applications from prospective Directors from time to time.
- Assess applications from prospective Directors and make recommendations to the Members accordingly, whether by examination of written materials, personal interview or a combination of both (as the Committee sees fit). This includes advising applicants in writing of the success or otherwise of their applications.
- Assist and advise the Board in fulfilling the Committee's responsibilities that an appropriate and transparent process is in place for the effective succession planning and renewal for the Board and Board Sub-Committees.
- Undertake other activities consistent with the terms of the Constitution and generally accepted principles of good corporate governance as the Board by ordinary resolution may determine from time to time.

## Authority

The Committee has no power to delegate any of its powers, duties or responsibilities to any person, or to establish a sub-committee.

## Membership

The Board is responsible for the appointment, and dismissal, of Committee members. The Board may remove and/or replace any or all of the then-current members of the Committee from time to time, but may only dissolve the Committee with the prior approval of the Members in general meeting.

The Committee's membership ('Committee Members') must consist of the following persons:

- between one and three Eligible Directors selected by the Board from time to time; and
- two other independent persons who are not Directors.

For the above purposes, the terms 'Eligible Director' and 'Director' have the meaning given in clause 21.1 of the Constitution.

## Appointment, Removal and Maximum Term of Office

All Committee Members are appointed and removed by the Board.

Committee Members will be appointed by the Board for an initial term of three (3) years. Given that the maximum term for which a Committee Member may serve is five consecutive years as per clause 13.25 of the Constitution, Committee Members may serve another consecutive term of two (2) years upon approval of the Board.

The Constitution permits a former Committee Member to be subsequently reappointed to the Committee provided that a period of at least 12 consecutive calendar months has passed since he or she last served as a Committee Member.

The Board's usual practice will be to review the Committee's composition annually to ensure the Committee is working at maximum effectiveness. Changes may also be required as the identity of the Eligible Directors changes.

In appointing, reappointing or removing a Committee Member, the Board will take into account the following:

- The desirability of ensuring that an appropriate range of skills, capabilities and experience is represented at Committee level at all times.
- The value of rotating the appointment of Committee Members, provided that sufficient continuity of experience, knowledge and relationships can be maintained at Committee level at all times.
- Any feedback or recommendations provided by the Committee or a current or former Committee Member.

## Chairperson

The Board will appoint one of the Directors to chair Committee meetings ('Chairperson') for a period not exceeding twelve calendar months.

A Chairperson is eligible for reappointment at the close of the twelve calendar month period, at the discretion of the Board.

If no Chairperson is appointed, or if at any meeting the Chairperson is not present within ten minutes after the time appointed for holding the meeting or is unwilling to act, the Committee Members present must choose one of their number to chair that meeting.

The Chairperson (or other Committee Member chairing the Committee meeting) does not have a second or casting vote at Committee meetings.

## In attendance

The Committee may invite other people to attend, such as the Company Secretary or external advisers, or seek any information it considers necessary to fulfil its responsibilities. The Committee also may, with prior written consent of the Board, appoint consultants (including executive search firms) to assist with identifying and screening potential candidates for election to the Board. The Board must ensure that the Committee is otherwise provided with adequate resources to perform its functions.

## Quorum

A quorum necessary for the transaction of business shall consist of at least half of the Committee members. The Company Secretary and Chief Executive Officer are also expected to attend each scheduled meeting of the Committee as required for relevant agenda items (unless the Committee directs otherwise). The Committee may ask any such person to leave a Committee meeting at any time.

## Meetings

The Committee will meet as frequently as necessary to fulfil its functions and discharge its responsibilities effectively, and at minimum will meet at least once a year. All Committee members are expected to attend each meeting, in person or via tele/videoconference.

The Chairperson may request the Secretary to convene a meeting of the Committee at any time, and must do so promptly on request by a Committee Member. Notice of the Committee meeting must be given to each Committee Member at least 20 business days before the meeting, except:

- All Committee Members may waive in writing the required period of notice for a particular meeting.
- It is not necessary to give a notice of a meeting to a Committee Member who is out of Australia or who has been given leave of absence by the Board.
- Late Committee papers may be accepted with the Chairperson's consent.

Subject to this Terms of Reference (ToR) and any direction of the Board from time to time, the meetings and proceedings of the Committee will be governed by the provisions of the Constitution applicable to Board meetings (with the necessary changes being made to reflect that they relate to meetings and proceedings of the Committee). The Committee may otherwise regulate its meetings and proceedings as the Committee Members see fit.



## Voting

- Each Committee Member has one vote. Decisions are made via a majority of votes.
- A resolution in writing signed by all Committee Members entitled to vote on the resolution (excluding Committee Members who have requested and been given leave of absence by the Committee or the Board) is to be treated as a determination of the Committee passed at a Committee meeting duly convened and held.
  - A resolution in writing may consist of several documents in like form, each signed by one or more Committee Members and if so signed it takes effect on the latest date on which a Committee Member signs one of the documents.
  - In relation to a resolution in writing a document generated by electronic means which purports to be a facsimile of a resolution of Committee Members is to be treated as a resolution in writing and a document bearing a facsimile of a signature is to be treated as signed.

## Fees

- Subject to the requirements of the Constitution, the Board may by ordinary resolution specify the remuneration (if any) of any Committee Member from time to time. Remuneration of Committee Members who are Eligible Directors is based on the terms set out in the Company's 'Board Remuneration Policy'.
- Remuneration of Committee Members who are not Eligible Directors will be based on the terms set out in the Company's 'Stakeholder Engagement Remuneration Policy'.

## Minutes and Reporting

The Committee will cause all minutes (except circular resolutions) to be signed by the person presiding at the Committee meeting at which the proceedings took place or by the person presiding at the next succeeding Committee meeting.

A copy of the signed minutes of a Committee meeting will be included in the papers for the next Board meeting.

The Chairperson, or in their absence another Committee Member, will report any material findings or recommendations to the Board Chair after each Committee meeting.

Committee minutes, agendas and papers will be available on request to all Board members (subject always to applicable rules regarding confidentiality, conflicts of interest and conflicts of duty).

## Responsibilities of Committee Members

Each Committee Member is expected to have a reasonable knowledge of matters relevant to the functions and powers set out in this ToR, or undertake such further study or training as may be required to permit the Committee Member to attain and maintain such knowledge.

Each Committee Member is expected to devote the necessary time and attention to prepare for, and attend, Committee meetings and other Committee activities.

Members of the Committee will, at all times in the discharge of their duties and responsibilities, exercise honesty, objectivity and probity and not engage knowingly in acts or activities that have the potential to bring discredit to themselves or the Company.

Committee members must also refrain from entering into any activity that may prejudice their ability to carry out their duties and responsibilities objectively and must at all times act in a proper and prudent manner in the use of information acquired in the course of their duties.

Further, members must not publicly comment on matters relative to activities of the Committee other than as authorised by Board. A person who is or has been a Committee Member or other attendee at a Committee meeting must not, except to the extent necessary:

- to exercise functions under this Terms of Reference (ToR) or the Constitution; or
- to give any information that the person is expressly authorised, permitted or required to give under this ToR or by law,

provide to any other person, whether directly or indirectly, any information acquired by him or her by reason of being a Committee Member or other attendee at a Committee meeting, unless the Committee otherwise consents in writing.

A Committee Member who has a direct or indirect pecuniary or other interest in a matter being dealt with by the Committee must disclose the nature of that interest at a meeting of the Committee as soon as possible after becoming aware of the interest.

Further, a Committee Member who holds office as a result of which, directly or indirectly, duties or interest may be created in conflict with the Committee Member's duties, must disclose that fact at a meeting of the Committee as soon as possible after becoming aware of the potential conflict.

The Chairperson or other Committee Member presiding at a Committee meeting at which such a disclosure is made must cause it to be recorded in the minutes of the Committee meeting.

A Committee Member who has made such a disclosure must not take any further part in the discussion of, or vote on, the matter to which the disclosure relates, and must not be present when the matter is discussed. Subject to this requirement, the Committee will determine an appropriate way to manage the conflict effectively, and will seek the Board's advice if the Committee is unable to make that determination.

## Committee Members do not Act in a Fiduciary Capacity

A Committee Member:

- is not acting in a fiduciary capacity when acting as a Committee Member, and to avoid doubt does not owe any fiduciary duties to any person when acting in that capacity; and
- will have no liability to the Company, a Director, a Member, another Committee Member or any other person with respect to his or her acts or omissions when acting as a Committee Member, provided that he or she has acted in good faith.

## Committee Resources

The Committee Members will have unrestricted access to personnel, management and records of the Company in fulfilling the Committee's functions and performing the Committee's duties, and to that end are authorised by the Board to require any of the Company's personnel or management to:

- attend a Committee meeting to provide information or answer questions; and
- otherwise provide such reasonable assistance to the Committee in fulfilling its functions and performing its duties as the Committee may request from time to time.

The CEO's Office will provide secretarial support to the Committee. They will:

- circulate the meeting agenda and supporting material to all Committee Members and any other person advised by the Chairperson, a reasonable period prior to the relevant Committee meeting.
- take notes during, and prepare draft minutes of, each Committee meeting and promptly provide them to the Chairperson (or other Committee Member who chaired the meeting) before circulating to other Committee Members.
- provide such other administrative support as the Chairperson may require from time to time.

The Board will ensure that the Nominations Committee is provided with adequate resources to perform its functions. However, the Committee must not appoint or instruct an expert advisor or consultant, or otherwise seek to obtain expert advice or services (whether on a fee-paying basis or otherwise), without the prior written consent of the Board. To avoid doubt, this includes executive search firms.

## Performance Evaluation

The Committee, and each Committee Member, will:

- actively participate in any self-assessment activities regarding the performance of the Committee or individual Committee Members;
- provide the Board and Members with any information the Board or the Members may require to assist in a review of the performance of the Committee or individual Committee Members; and
- fully cooperate with any independent advisors appointed by the Board for these purposes.

## Review of Terms of Reference

The Board may review the role and functions of the Committee and amend, revoke or replace the ToR from time to time. The ToR must be consistent with the requirements of the Constitution.

The Committee will support the Board and any relevant Board committees in undertaking a review of this ToR at such intervals as the Board sees fit. The Committee will:

- fully cooperate with any independent advisors appointed by the Board for this purpose; and

- propose to the Board any changes to the ToR that the Committee considers necessary or appropriate.