

# Nomination Committee Charter

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**Netwealth Group Limited ACN: 620 145 404**  
**Netwealth Holdings Limited ACN: 133 790 176**

Approved by the Board on 23 October 2017 for adoption on listing

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## Document version control

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| Custodian                         | Company Secretary                     |
| Date previously approved by Board | September 2017                        |
| Date of next scheduled review     | October 2018 (or earlier if required) |

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## 1.0 Standing of the Committee

The Nomination Committee (**Committee**) is a committee of the Board of Netwealth Group Limited (**NGL**). The Committee will also undertake the role of the nomination committee for the board of each subsidiary of NGL (**Subsidiary**) where required.

In making decisions in relation to a Subsidiary, the Committee is acting as a committee of the board of that Subsidiary.

One of the Subsidiaries, Netwealth Investments Limited (**NIL**), is a Registrable Superannuation Entity licensee to whom APRA Prudential Standards apply including APRA Prudential Standard SPS 510 Governance (**SPS 510**) which imposes requirements in relation to director nomination and appointment processes.

## 2.0 Membership of the Committee

It is intended the Committee consist of:

- a minimum of 3 members;
- a majority of independent directors of NGL; and
- an independent director of NGL as chair.

The NGL Board may appoint additional directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the NGL Board.

Non-Committee members may attend all or part of a meeting of the Committee at the invitation of the Committee chair.

The Company Secretary, or his or her delegate, must attend all Committee meetings as minute secretary.

## 3.0 Role and responsibilities

The responsibilities of the Committee are as follows:

- (a) Assist the NGL Board to develop and maintain a NGL Board skills matrix setting out the mix of skills, expertise, experience and diversity that the Board currently has or is looking to achieve in its membership.
- (b) Review and recommend to the relevant board the size and composition of the board, including review of succession plans and the succession of the Chairman and Joint Managing Directors, having regard to the board skills matrix and the objective that the board comprise directors with a broad range of skills, expertise and experience from a broad range of backgrounds, including gender.
- (c) Where applicable, review the ongoing independence of non-executive directors to ensure the requirements of SPS 510 for independent directors to be independent is maintained.

- (d) Review and recommend to the relevant board the criteria for nomination as a director and the membership of the board more generally, including:
  - making recommendations for the re-election of directors, subject to the principle that a Committee member must not be involved in making recommendations to the relevant board in respect of themselves; and
  - assisting the relevant board to identify qualified individuals for nomination to the board, in accordance with the policy outlined in section 4.
- (e) Assist the relevant board in relation to the performance evaluation of the board, its committees and individual directors.
- (f) Ensure that processes are in place to support director induction and ongoing education and regularly review the effectiveness of these processes.
- (g) In accordance with the Inclusion & Diversity Policy, review the measurable objectives for achieving gender diversity set by the NGS Board on an annual basis and recommend any changes to the NGS Board.
- (h) On an annual basis, review the effectiveness of the Diversity & Inclusion Policy by:
  - (1) assessing NGL's measurable objectives and its progress towards achieving them, including the effectiveness of any strategies aimed at achieving the objectives; and
  - (2) reporting to the NGL Board recommending any changes to the strategies or the way in which the objectives are implemented.
- (i) On an annual basis:
  - (1) review the relative proportion of women and men on the NGL Board, in senior executive positions and in the workforce at all levels of the organisation; and
  - (2) submit a report to the NGL Board, which outlines the Committee's findings or, if applicable, provide the NGL Board with NGL's most recent indicators as required by the Workplace Gender Equality Act 2012.
- (j) In relation to each Subsidiary that the Committee performs the function of the nomination committee, perform such responsibilities as listed above or are required to fulfil its delegated role.

## 4.0 Policy, procedure and disclosure of the selection and appointment of new directors

### 4.1 Policy

Factors to be considered when reviewing a potential candidate for NGL Board appointment or Subsidiary board appointment (as applicable) include without limitation:

- the skills, experience, expertise and personal qualities that will best complement the relevant board effectiveness and promote diversity having regard to:
  - the relevant board skills matrix; and
  - the existing composition of the relevant board;
- 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
- potential conflicts of interest, and independence.

## 4.2 Procedure

- (a) Detailed background information in relation to a potential candidate should be provided to all directors of the relevant board.
- (b) The identification of potential director candidates may be assisted by the use of external search organisations as appropriate.
- (c) Appropriate checks should be undertaken in relation to all potential candidates. This process may be assisted by the use of external organisations as appropriate.
- (d) An offer of a Board appointment must be made by the Chair of the relevant board 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 relevant board or the Committee from time to time.

## 4.3 Disclosure

Each year, the Committee will prepare a report for the relevant board outlining the following details of the director selection process with a view to including either the report or a summary of the report in the annual report:

- the process by which candidates are identified and selected, including whether external search organisations are used and the background checks undertaken;
- the steps taken to ensure that a diverse range of candidates are considered; and
- the factors taken into account in the selection process, including whether a board skills matrix is used to identify any 'gaps' in the skills and experience of the directors on the relevant board.

## 5.0 Re-election of directors

Each year, the Committee will review each of the directors who are seeking re-election in light of their independence, the result of their performance review, succession plans and any other factors considered relevant to the director's contribution to a board. On the basis of its review,

the Committee will make a recommendation to the relevant board regarding whether to support the director's re-election.

## **6.0 Review**

The NGL Board will, at least once in each year, review the performance, membership and charter of the Committee to determine its adequacy for current circumstances and the Committee may make recommendations to the NGL Board in relation to the Committee's membership, responsibilities, functions or otherwise.

## **7.0 Administrative matters and procedures**

The proceedings of the Committee will be conducted in accordance with provisions set out in Attachment 1.

# Attachment 1

## Administrative matters and procedures

### Meetings

The Committee will meet as often as the Committee members deem necessary in order to fulfil their role. However, it is intended that the Committee will normally meet quarterly.

### Quorum

The quorum is at least 2 members present, either in person or by using any technology.

### Convening and notice of meeting

Any member may, and the Company Secretary must upon request from any member, convene a meeting of the Committee. Notice will be given to every member of the Committee, of every meeting of the Committee. However, there is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held. The Company Secretary will distribute in advance of the meeting of the Committee the agenda and related papers to each of the Committee members or any other persons determined by the Committee.

### Voting at meetings

The Committee should pursue collective decision making, and seek consensus where possible. The Committee Chairman should test consensus and, if a unanimous view cannot be reached, decisions will be based on the majority view. Each Committee member will have one vote. If an equal number of votes is cast for and against a resolution, the Committee Chair does not have a casting vote in addition to their vote as a Committee member, and the resolution is not passed.

### Independent advice

The Committee may seek the advice of the auditors, solicitors or other independent advisers, consultants or specialists as to any matter pertaining to the powers or duties of the Committee or the responsibilities of the Committee.

### Minutes

Minutes of meetings of the Committee must be kept by the Company Secretary and, after approval by the Committee chair, be presented at the next relevant board meeting. These minutes are retained in Diligent and are available to any director of NGL and any Subsidiary that has delegated to the Committee on request.

### Reporting

It is intended that a report of the actions of the Committee and a copy of the minutes of the Committee meeting or both will be included in the Board papers for the relevant board meeting next following a meeting of the Committee.

The Committee chair will provide a brief oral report to the relevant board as to any material matters arising out of the Committee meeting. All directors may, within the relevant board meeting, request information of members of the Committee.