

# Nomination Committee Charter

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Phoslock Environmental Technologies Limited ACN 099 555 290  
(Company)

**Adopted by the Board – 13 May 2022**

## 1. Introduction

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- 1.1 This Charter governs the composition, membership, roles and responsibilities of the Nomination Committee (**Committee**) of Phoslock Environmental Technologies Limited ACN 099 555 290 (**Company**).
- 1.2 The operation of the Committee is also governed, where applicable, by the constitution of the Company (**Constitution**).

## 2. Objectives

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- 2.1 The purpose of the Committee is to provide recommendations to, and to assist the board of directors of the Company (**Board**) with respect to:
- (1) identifying nominees for directorships and other key executive appointments;
  - (2) the composition including diversity of the Board;
  - (3) ensuring that effective induction and education procedures exist for new Board appointees and key executives;
  - (4) ensuring that appropriate procedures exist to assess and review the performance of the chairperson (**Chair**), non-executive directors, senior executives (including senior and key officers of the Company) (**Senior Executives**) (in, Board Committees and the Board as a whole; and
  - (5) succession planning with respect to the Board and Senior Executives.
- 2.2 The Committee does not have the power or authority to make a decision in the Board's name or on its behalf.
- 2.3 Ultimate responsibility with respect to Board or Senior Executive nominations or any policy rests with the full Board, notwithstanding the establishment of the Committee.

## 3. Composition

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### 3.1 Members

The Committee must have a minimum of 3 members, with the majority of members being independent directors. The Committee should be chaired by an independent director.

The members of the Committee will be appointed and removed by the Board.

### 3.2 Expertise

Members of the Committee should have an appropriate level of understanding of:

- (1) the principles of corporate governance, including knowledge of the Australian Securities Exchange (**ASX**) Corporate Governance Council's Principles and Recommendations;
- (2) the Company's businesses and organisation structure;
- (3) the functions of the Board and the various roles and responsibilities of directors and other Senior Executive positions; and

(4) Company management, at a senior management level.

### 3.3 **Chair and Secretary**

The Committee will be chaired by the Chair of the Board or an independent director.

The Company secretary will act as secretary of the Committee (**Secretary**) unless determined otherwise by the Board.

### 3.4 **Privacy**

The Committee recognises that all personal information provided to members of the Committee is subject to the *Privacy Act 1988 (Cth)* and any privacy policy of the Company.

## 4. **Meetings**

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### 4.1 **Frequency**

The Committee will meet as frequently as required but must, at a minimum, meet once a year.

The Secretary must call a meeting of the Committee if requested to do so by any member of the Committee or Board.

### 4.2 **Agenda and notice**

The Secretary will be responsible, in conjunction with the Chair, for drawing up the agenda (supported by any necessary explanatory documentation) and circulating it to Committee members prior to each meeting.

The Secretary must notify members of the Committee of the date, time and location of Committee meetings as far in advance as reasonably possible.

### 4.3 **Quorum**

A quorum for Committee meetings will be at least 2 members, except that 1 of the members of the quorum must be an independent director.

### 4.4 **Minutes**

The Secretary is responsible for taking minutes of each meeting and distributing them to Committee members as soon as reasonably practicable after the close of the meeting.

### 4.5 **Attendance**

The Committee may invite any person to attend part or all of any meeting of the Committee as it considers appropriate.

Voting at Committee meetings is restricted to Committee members.

## 5. **Objectivity**

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5.1 The Committee has the right to seek internal and external advice when it considers such advice necessary in order to fulfil its responsibilities.

- 5.2 Senior Executives must supply the Committee with information in a form, timeframe and of a quality that will enable the Committee to effectively discharge its duties.
- 5.3 The Committee must ensure that it obtains sufficient information to enable it to make informed decisions with respect to the advice and recommendations it provides to the Board.

## **6. Responsibilities of the Committee**

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### **6.1 Nomination, appointment and removal**

The Committee is responsible for:

- (1) identifying specific individuals for nomination for directorship and Senior Executive roles; and
- (2) providing advice and recommendations to the Board with respect to the appointment and removal of Directors and Senior Executives.

The Committee must ensure that there is a formal process in place for selecting and appointing new Directors and Senior Executives and that the process is transparent.

### **6.2 Director competencies**

The Committee is responsible for providing the Board with advice and recommendations regarding the ongoing development of:

- (1) a plan for identifying, assessing and enhancing director competencies; and
- (2) a succession plan that is designed to ensure that an appropriate balance of skills, experience and expertise is maintained on the Board.

Prior to identifying an individual for nomination for directorship, the Committee must evaluate the range of skills, experience and expertise currently existing on the Board to ensure that the Committee identifies the particular skills, experience and expertise that will most effectively complement the Board's current composition.

### **6.3 Board composition**

- (1) The Committee is responsible for ensuring that the Board is of a size and composition that allows for:
  - (a) decisions to be made expediently;
  - (b) a range of different perspectives to be put forward regarding issues before the Board;
  - (c) a range of different skills to be brought to Board deliberations; and
  - (d) Board decisions to be made in the best interests of the Company as a whole rather than being made in the interests of individual shareholders or interest groups.
- (2) The Committee is responsible for ensuring that any internal board limit set by the Board in accordance with the *Corporations Act 2001* (Cth) and the Company's Constitution is appropriate given the nature and size of the Company.

#### 6.4 **Board commitment**

The Committee is responsible for monitoring, on an ongoing basis, the time required for non-executive directors to adequately fulfil their duties and the extent to which non-executive directors are meeting these time requirements.

Prior to the nomination of prospective non-executive directors, the Committee must obtain from the prospective candidate:

- (1) details of other commitments of the prospective candidate and an indication of the time involved to meet these requirements; and
- (2) an acknowledgment that the prospective candidate will have sufficient time to meet the requirements of a non-executive director with the Company.

#### 6.5 **Election of directors**

The Committee must ensure that any notice of meeting relating to the election of directors provides the Company's shareholders with the information necessary to allow the shareholders to make an informed decision on the election.

The Committee must ensure that non-executive directors are appointed for specific terms subject to re-election and to the ASX listing rules and the *Corporations Act 2001* (Cth) provisions regarding the removal of directors.

#### 6.6 **Induction and education procedures**

The Committee must implement an effective induction process for new Board appointees and Senior Executives. This induction process must include:

- (1) information about the Company;
- (2) information about the industry within which the Company operates; and
- (3) an induction program that enables new directors and executives to gain an understanding of:
  - (a) the Company's financial, strategic, operational and risk management position;
  - (b) their rights, duties and responsibilities; and
  - (c) the role of any Board committees.

The Committee must review the induction process annually to ensure that it is up to date and effective.

The Committee must ensure that Board appointees and executives have access to continuing education to update and enhance their skills and knowledge. This may include education concerning key developments in the Company and within the industry and environments within which it operates.

#### 6.7 **Evaluation and review**

The Committee is responsible for the:

- (1) evaluation and review of the performance of the Board against both measurable and qualitative indicators to be established by the Committee;

- (2) evaluation and review of the performance of individual directors against both measurable and qualitative indicators to be established by the Committee;
- (3) review of and making of recommendations on the size and structure of the Board; and
- (4) review of the effectiveness and programme of Board meetings.

## **7. Access to information**

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7.1 In order to ensure the Board is able to discharge its responsibilities properly, the Committee should establish a process whereby directors:

- (1) can obtain independent professional advice when necessary at the expense of the Company;
- (2) are encouraged to, and in fact actively, request additional information where they consider that the information supplied by internal or external sources is insufficient to allow them to make informed decisions; and
- (3) can access the Secretary whenever required.

## **8. Reporting**

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### **8.1 Reporting to the Board**

The Committee must report to the Board, at the first Board meeting subsequent to each Committee meeting, regarding the proceedings of each Committee meeting, the outcomes of the Committee's reviews and recommendations and any other relevant issues.

### **8.2 Annual report**

The Committee must provide the Board with advice and recommendations regarding the appropriate material and disclosures to be included in the corporate governance section of the Company's annual report which relates to the Company's nomination policies and procedures, information concerning the directors and the performance evaluation of the Board.

### **8.3 Public availability of materials**

The Committee must ensure that the following materials are made publicly available on the Company's website in a clearly marked corporate governance section:

- (1) a copy of this Charter;
- (2) a description of the procedure for selecting and appointing new directors;
- (3) the Committee's policy for the appointment of directors; and
- (4) a description of the process for performance evaluation of the Board, its Committees, individual Directors and Senior Executives.

## **9. Review of the Charter**

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9.1 This Charter shall be reviewed annually and revised by the Board as required.

Adopted 13 May 2022