



Nomination Committee Charter

Adairs Limited (Company)
ACN 147 375 451

Adopted by the Board on 5 September 2018

Committee charter

1 Membership of the Committee

The Committee should consist of:

- a minimum of 3 members;
- a majority of independent Directors; and
- an independent Director as Chair.

It is intended that all Directors will be members of the Committee.

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

Non-committee members, including members of management, 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.

The Committee may ask all members of management (including the Company Secretary) to leave the meeting to facilitate discussions of the Committee.

2 Role and responsibilities

The responsibilities of the Committee are as follows:

- (a) Assist the Board to develop a board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.
- (b) Review and recommend to the Board the criteria for Board membership, including:
 - the necessary and desirable competencies of Board members;
 - the time expected to be devoted by Non-executive Directors in relation to the Company's affairs.
- (c) Review and recommend to the Board the size and composition of the Board, having regard to the objective that the Board comprise directors with a broad range of skills, expertise and experience from a broad range of backgrounds, including gender.
- (d) Develop succession plans and make recommendations to the Board in respect of succession planning of the Chairman and other Non-executive
- (e) Review and recommend to the Board the membership of the Board, including:
 - making recommendations for the election and re-election of Directors, subject to the principle that a Committee member must not be involved in making recommendations to the Board in respect of themselves; and

- assisting the Board as required to identify individuals who are qualified to become Board members (including in respect of Executive Directors), in accordance with the policy outlined in section 3.
- (f) 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.
- (g) Review and make recommendations in relation to any corporate governance issues as requested by the Board from time to time.
- (h) Review the Board Charter on a periodic basis and recommend any amendments to the Board for its consideration.
- (i) Ensure that an effective Director induction process is in place and regularly review its effectiveness and provide appropriate professional development opportunities for Directors.
- (j) On an annual basis, review the effectiveness of the Diversity Policy by:
 - (1) assessing the Company's progress towards the achievement of the measurable objectives and any strategies aimed at achieving the objectives; and
 - (2) reporting to the Board any recommended changes to the measurable objectives, strategies or the way in which they are implemented.
- (k) In accordance with the Diversity Policy, on an annual basis, review the relative proportion of women and men on the Board, in senior management positions and in the workforce at all levels of the Group, and submit a report to the Board, which outlines the Committee's findings or, if applicable, provide the Board with the Company's most recent indicators as required by the *Workplace Gender Equality Act 2012*.

3 Policy, procedure and disclosure of the selection and appointment of new Directors

3.1 Policy

Factors to be considered when reviewing a potential candidate for Board appointment include without limitation:

- the skills, experience, expertise and personal qualities that will best complement the effectiveness of the Board, including over the medium to long-term;
- the existing composition of the Board, having regard to the factors outlined in the Diversity Policy and the objective of achieving a Board comprising Directors from a diverse and relevant range of backgrounds;
- 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.

3.2 Procedure

- (a) Detailed background information in relation to a potential candidate should be provided to all Directors.
- (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 before appointing a person, or putting forward to shareholders a candidate for election, as a Director.
- (d) An offer of a Board appointment must be made by the Chairman (or an Non-executive Director in the case of the Chairman's appointment) 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.

3.3 Disclosure

Each year, the Committee will prepare a report for the Board outlining the following details of the Board 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;
- the steps taken to ensure that an appropriate range of candidates are considered; and
- the factors taken into account in the selection process, including the Board skills matrix used to identify any 'gaps' in the skills and experience of the Directors on the Board.

The Committee will also assist the Board with providing shareholders with any material information in the Company's possession which is relevant to a decision on whether or not to elect or re-elect a Director.

4 Review

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

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 at least once a year.

Quorum

The quorum is at least 2 members.

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 of every meeting of the Committee will be given to each member of the Committee. 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.

Rights of access and authority

The Committee is to have access to adequate internal and external resources. The Committee may seek the advice of the Company's auditors, solicitors or such 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, as the Committee may require.

Minutes

Minutes of meetings of the Committee must be kept by the Company Secretary (or his or her delegate) and, after approval by the Committee Chair, be presented at the next Board meeting. All minutes of the Committee must be entered into a minute book maintained for that purpose and be open at all times for inspection by any Director.

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 Board meeting next following a meeting of the Committee.

The Committee Chair will, if requested, provide a brief oral report as to any material matters arising out of the Committee meeting. All Directors may, within the Board meeting, request information of members of the Committee.